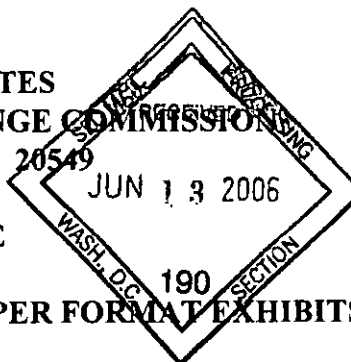


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THE FORM SB-2 IS BEING FILED IN PAPER PURSUANT TO A CONTINUING
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549



FORM SE
FORM FOR SUBMISSION OF PAPER FORMAT EXHIBITS
BY ELECTRONIC FILERS

Polonia Bancorp

Exact name of registrant as specified in charter

0001368252

Registrant CIK Number

Exhibit 99.1 to the Form SB-2

Electronic report, schedule or registration
statement of which the documents are a part (give
period of report)

333-135643

SEC file number, if available

Name of Person Filing the Document
(If other than the Registrant)

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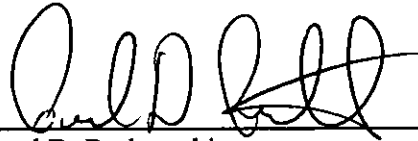
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SIGNATURES

The Registrant has duly caused this form to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Huntingdon Valley, Commonwealth of Pennsylvania, on July 13, 2006.

POLONIA BANCORP

By: _____

A handwritten signature in black ink, appearing to read "Paul D. Rutkowski", written over a horizontal line.

Paul D. Rutkowski
Chief Financial Officer and Treasurer

CONVERSION VALUATION APPRAISAL REPORT

Prepared for:

**Polonia Bancorp
Huntingdon Valley, Pennsylvania**

As Of:
June 1, 2006

Prepared By:

Keller & Company, Inc.

555 Metro Place North

Suite 524

Dublin, Ohio 43017

(614) 766-1426

KELLER & COMPANY

CONVERSION VALUATION APPRAISAL REPORT

Prepared for:

Polonia Bancorp
Huntingdon Valley, Pennsylvania

As Of:

June 1, 2006

KELLER & COMPANY, INC.

Financial Institution Consultants
Investment and Financial Advisors

555 Metro Place North
Suite 524
Dublin, Ohio 43017

614-766-1426
614-766-1459 (fax)

June 30, 2006

Board of Directors
Polonia Bank
3993 Huntingdon Pike
Huntingdon Valley, PA 190069

To the Board:

We hereby submit an independent appraisal of the pro forma market value of the to-be-issued stock of Polonia Bancorp (the "Corporation"), which is the mid-tier holding company of Polonia Bank, Huntingdon Valley, Pennsylvania ("Polonia" or the "Bank"). The Corporation is a subsidiary of Polonia MHC. Such stock is to be issued in connection with the application to complete a minority stock offering by the Corporation with Polonia MHC to own 55.0 percent of the Corporation. This appraisal was prepared and provided to the Bank in accordance with the appraisal requirements and regulations of the Office of Thrift Supervision of the United States Department of the Treasury.

Keller & Company, Inc. is an independent, financial institution consulting firm that serves both thrift institutions and banks throughout the U.S. The firm is a full-service consulting organization, as described in more detail in Exhibit A, specializing in business and strategic plans, stock valuations, conversion and reorganization appraisals, market studies and fairness opinions for thrift institutions and banks. The firm has affirmed its independence in this transaction with the preparation of its Affidavit of Independence, a copy of which is included as Exhibit C.

Our appraisal is based on the assumption that the data provided to us by Polonia and the material provided by the independent auditors, S. R. Snodgrass, Wexford, Pennsylvania, are both accurate and complete. We did not verify the financial statements provided to us, nor did we conduct independent valuations of the Bank's assets and liabilities. We have also used information from other public sources, but we cannot assure the accuracy of such material.

In the preparation of this appraisal, we held discussions with the management of Polonia, with the law firm of Muldoon, Murphy & Aguggia LLP, Washington, D.C., the Bank's conversion counsel, and with S. R. Snodgrass, the Bank's outside auditor. Further, we viewed the Bank's local economy and primary market area and also reviewed the Bank's most recent business plan as part of our review process.

Board of Directors
Polonia Bank
June 30, 2006

Page 2

This valuation must not be considered to be a recommendation as to the purchase of stock in the Corporation, and we can provide no guarantee or assurance that any person who purchases shares of the Corporation's stock will be able to later sell such shares at a price equivalent to the price designated in this appraisal.

Our valuation will be updated as required and will give consideration to any new developments in Polonia's operation that have an impact on operations or financial condition. Further, we will give consideration to any changes in general market conditions and to specific changes in the market for publicly-traded thrift institutions. Based on the material impact of any such changes on the pro forma market value of the Corporation as determined by this firm, we will make necessary adjustments to the Corporation's appraised value in such appraisal update.

It is our opinion that as of June 1, 2006, the pro forma market value or appraised value of the Corporation is \$22,000,000 at the midpoint, with a minority offering of \$9,900,000 or 990,000 shares at \$10 per share, representing 45 percent of the total valuation. The pro forma valuation range of the Corporation is from a minimum of \$18,700,000 to a maximum of \$25,300,000, with a maximum, as adjusted, of \$29,095,500, representing a minority offering range of \$8,415,500 at the minimum to \$11,385,500 at the maximum, with a maximum, as adjusted, of \$13,092,750, representing 841,500 shares, 1,138,500 shares and 1,309,275 shares at \$10 per share at the minimum, maximum, and maximum, as adjusted, respectively.

The pro forma appraised value of Polonia Bancorp as of June 1, 2006, is \$22,000,000, at the midpoint with a midpoint 45 percent minority offering of \$9,900,000.

Very truly yours,

KELLER & COMPANY, INC.

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INTRODUCTION

Keller & Company, Inc. is an independent appraisal firm for financial institutions and has prepared this Conversion Valuation Appraisal Report ("Report") to provide the pro forma market value of the to-be-issued common stock of Polonia Bancorp (the "Corporation"), a Pennsylvania Corporation, formed as a mid-tier holding company to own all of the common stock of Polonia Bank ("Polonia" or the "Bank"), Huntingdon Valley, Pennsylvania. The Corporation will be majority owned by Polonia MHC, a federally-chartered mutual holding company. Under the Plan of Conversion, the Corporation will be majority owned by Polonia MHC, which will own 55.0 percent of the Corporation. The Corporation will sell 45.0 percent of the appraised value of the Corporation as determined in this Report in a minority stock offering.

The Application is being filed with the Office of Thrift Supervision ("OTS") of the Department of the Treasury and the Securities and Exchange Commission ("SEC"). Such Application for Conversion has been reviewed by us, including the Prospectus and related documents, and discussed with the Bank's management and the Bank's conversion counsel, Muldoon, Murphy and Aguggia LLP, Washington, D.C.

This conversion appraisal was prepared based on the guidelines provided by OTS entitled "Guidelines for Appraisal Reports for the Valuation of Savings Institutions Converting from the Mutual to Stock Form of Organization", in accordance with the OTS application requirements of Regulation §563b and the OTS's Revised Guidelines for Appraisal Reports, and represents a full appraisal report. The Report provides detailed exhibits based on the Revised Guidelines and a discussion on each of the fourteen factors that need to be considered. Our valuation will be updated in accordance with the Revised Guidelines and will consider any changes in market conditions for thrift institutions.

Introduction (cont.)

We define the pro forma market value as the price at which the stock of the Corporation after conversion would change hands between a typical willing buyer and a typical willing seller when the former is not under any compulsion to buy and the latter is not under any compulsion to sell, and with both parties having reasonable knowledge of relevant facts in an arm's-length transaction. The appraisal assumes the Bank is a going concern and that the shares issued by the Corporation in the conversion are sold in noncontrol blocks.

As part of our appraisal procedure, we have reviewed the audited financial statements for the three years ended December 31, 2003, 2004 and 2005, and for the three months ended March 31, 2005 and 2006, and discussed them with Polonia's management and with Polonia's independent auditors, S.R. Snodgrass AC, Wexford, Pennsylvania. We have also discussed and reviewed with management other financial matters and have reviewed internal projections. We have reviewed the Corporation's preliminary Form SB-2 and the Bank's preliminary Form MHC and discussed them with management and with the Bank's conversion counsel.

To gain insight into the Bank's local market condition, we have visited Polonia's main office and have traveled the surrounding area. We have studied the economic and demographic characteristics of the primary market area, and analyzed the Bank's primary market area relative to Pennsylvania and the United States. We have also examined the competitive market within which Polonia operates, giving consideration to the area's numerous financial institution offices, mortgage banking offices, and credit union offices and other key market area characteristics, both positive and negative.

We have given consideration to the market conditions for securities in general and for publicly-traded thrift stocks in particular. We have examined the performance of selected publicly-traded thrift institutions and compared the performance of Polonia to those selected institutions.

Introduction (cont.)

Our valuation is not intended to represent and must not be interpreted to be a recommendation of any kind as to the desirability of purchasing the to-be-outstanding shares of common stock of the Corporation. Giving consideration to the fact that this appraisal is based on numerous factors that can change over time, we can provide no assurance that any person who purchases the stock of the Corporation in the minority stock offering in this mutual-to-stock conversion will subsequently be able to sell such shares at prices similar to the pro forma market value of the Corporation as determined in this conversion appraisal.

I. DESCRIPTION OF POLONIA BANK

GENERAL

Polonia Bank was organized in 1923 as a federally-chartered mutual savings and loan association with the name Polonia Federal Savings and Loan Association. In 1996, Polonia changed its name to Polonia Bank. The Bank plans to convert to a federally chartered stock savings bank as part of its formation of a mutual holding company. The Bank has also filed for approval to form a mid-tier stock holding company with the name Polonia Bancorp, which will own all of the stock of the Bank. The Bank's planned mutual holding company, Polonia MHC, will own 55.0 percent of Polonia Bancorp.

Polonia conducts its business from its main office in Huntingdon Valley and its four branches in Philadelphia, Pennsylvania. The Bank's primary market area is focused on Bucks, Montgomery and Philadelphia Counties. The Bank has no additional loan production offices. The Bank also has two subsidiaries, Polonia Bank Mutual Holding Company and Community Abstract Agency.

Polonia's deposits are insured up to applicable limits by the Federal Deposit Insurance Corporation ("FDIC") in the Savings Association Insurance Fund ("SAIF"). The Bank is also subject to certain reserve requirements of the Board of Governors of the Federal Reserve Bank (the "FRB"). Polonia is a member of the Federal Home Loan Bank (the "FHLB") of Pittsburgh and is regulated by the OTS and by the FDIC. As of March 31, 2006, Polonia had assets of \$172,419,000, deposits of \$140,823,000 and equity of \$11,578,000.

Polonia has been principally engaged in the business of serving the financial needs of the public in its local communities and throughout its primary market area as a community-oriented institution. Polonia has been involved in the origination of residential mortgage loans secured by one- to four-family dwellings, which represented 87.5 percent of its loan originations during the fiscal year ended December 31, 2005. One- to four-family loan originations represented a lesser 78.8 percent of loan originations during the three months ended March 31, 2006.

General (cont.)

At March 31, 2006, 90.9 percent of its gross loans consisted of residential real estate loans on one- to four-family dwellings, excluding home equity loans, compared to a similar 91.0 percent at December 31, 2005, with the primary sources of funds being retail deposits from residents in its local communities. The Bank is also an originator of multi-family and commercial real estate loans, consumer loans, and home equity loans. Consumer loans include education loans, loans on deposit accounts and other secured personal loans.

The Bank had cash and investments of \$60.8 million, or a strong 35.3 percent of its assets, excluding FHLB stock which totaled \$1.2 million or 0.70 percent of assets at March 31, 2006. The Bank had \$38.0 million of its investments in mortgage-backed and related securities representing 22.0 percent of assets. Deposits, FHLB advances and equity have been the primary sources of funds for the Bank's lending and investment activities.

The total amount of stock to be sold by the Corporation in the minority stock offering will be \$9.9 million or 990,000 shares at \$10 per share based on the midpoint of the appraised value of \$22.0 million, representing 45.0 percent of the total value. The net conversion proceeds will be \$9.2 million, reflecting conversion expenses of approximately \$726,000. The actual cash proceeds to the Bank of \$7.3 million will represent 79.2 percent of the net conversion proceeds. The ESOP will represent 8.71 percent of the gross shares issued in the minority offering, or 86,200 shares at \$10 per share, representing \$862,000 or 3.92 percent of the total value. The Bank's net proceeds will be used to fund new loans and to invest in securities following their initial deployment to short term investments. The Bank may also use the proceeds to expand services, expand operations or acquire other financial service organizations, diversify into other businesses, or for any other purposes authorized by law. The Corporation will use its proceeds to fund the ESOP and to invest in short-term deposits.

The Bank has experienced a modest deposit increase over the past two fiscal years with deposits increasing 2.4 percent from December 31, 2003, to December 31, 2005, or an average

General (cont.)

of 1.2 percent per year. From December 31, 2005, to March 31, 2006, deposits then decreased by 0.8 percent compared to an increase of 6.9 percent in fiscal year 2005.

The Bank has focused on maintaining its loan activity during the past two years following strong refinancing activity, on monitoring its net interest margin and earnings, on controlling its nonperforming assets and on maintaining a reasonable equity to assets ratio. Equity to assets decreased from 6.99 percent of assets at December 31, 2003, to 6.72 percent at March 31, 2006, due to the Bank's losses on sale of securities in 2005 and 2006, which will be discussed in the Income and Expense section.

The primary lending strategy of Polonia has been to focus on the origination of fixed-rate one-to four-family loans, the origination of commercial real estate and multi-family loans, the origination of home equity loans, and the origination of consumer loans.

The Bank's share of one- to four-family mortgage loans has increased slightly, from 90.0 percent of gross loans at December 31, 2004, to 90.9 percent as of March 31, 2006. Multi-family and commercial real estate loans decreased from 3.7 percent of loans to 3.6 percent from December 31, 2004, to March 31, 2006, while home equity loans decreased from 2.8 percent to 2.7 percent during the same time period. All types of real estate loans as a group witnessed a slight increase, rising from 96.5 percent of gross loans at December 31, 2004, to 97.2 percent at March 31, 2006. The higher share of real estate loans was offset by the Bank's share of consumer loans. The Bank's share of consumer loans experienced a decrease in their share of loans from 3.5 percent at December 31, 2004, to 2.8 percent at March 31, 2006, and the dollar balance of consumer loans decreased from \$3.4 million to \$2.7 million.

Management's internal strategy has also included continued emphasis on maintaining an adequate and appropriate allowance for loan losses relative to loans and nonperforming assets in recognition of the more stringent requirements within the industry to establish and maintain a higher level of general valuation allowances but recognizing the Bank's lower balance of

General (cont.)

higher risk loans and lower charge-offs. At December 31, 2004, Polonia had \$692,000 in its loan loss allowance or 0.71 percent of gross loans, and 204.0 percent of nonperforming loans with the allowance decreasing to \$652,000 and representing a similar 0.66 percent of gross loans and a higher 232.0 percent of nonperforming loans at March 31, 2006.

The basis of earnings for the Bank has been interest income from loans and investments with the net interest margin being the key determinant of net earnings with less emphasis on noninterest income. With a primary dependence on net interest margin for earnings, current management will focus on striving to strengthen the Bank's net interest margin without undertaking excessive credit risk combined with controlling the Bank's interest risk position and striving to continue to increase noninterest income.

PERFORMANCE OVERVIEW

The financial position of Polonia at March 31, 2006, and at year end December 31, 2004 and 2005, is shown in Exhibits 1 and 2, and the earnings performance of Polonia for the three months ended March 31, 2005 and 2006 and for the years ended December 31, 2004 and 2005 is shown in Exhibits 3 and 4. Exhibit 5 provides selected financial data at December 31, 2004 and 2005 and at March 31, 2006. Polonia has focused on shrinking its asset base, maintaining its loans, decreasing its investment securities, and growing retail deposits from December 31, 2003 through March 31, 2006. The most recent impact of these trends, recognizing the recent rise in interest rates, was a modest decrease in assets and modest rise in loans offset by a decrease in investments and a modest decrease in deposits from December 31, 2005, and March 31, 2006.

With regard to the Bank's recent financial condition, Polonia has experienced a modest decrease in assets from December 31, 2003, to March 31, 2006, with a modest increase in deposits and moderate decrease in FHLB advances, and a slight decrease in the dollar amount of equity over this period. The Bank witnessed a decrease in assets of \$12.1 million or 6.5 percent for the period of December 31, 2003, to December 31, 2005.

For the three months ended March 31, 2006, assets decreased a modest \$1.4 million or 0.8 percent. Over the past two periods, the Bank experienced its largest dollar decrease in assets of \$10.4 million in calendar year 2004, which represented a modest 5.6 percent decrease in assets due primarily to a decrease in securities of \$6.7 million. This decrease in assets was succeeded by a \$1.7 million or 1.0 percent decrease in assets from December 31, 2004, to December 31, 2005, and then succeeded by a \$1.4 million decrease or 0.8 percent in the three months ended March 31, 2006.

Polonia's loan portfolio, which includes mortgage loans and nonmortgage loans, decreased from \$98.3 million at December 31, 2003, to \$96.9 million at December 31, 2005, and represented a total decrease of \$1.4 million, or 1.4 percent. The average annual decrease

Performance Overview (cont.)

during that period was 0.7 percent. For the three months ended March 31, 2006, loans increased \$548,000 or 0.6 percent to \$97.5 million.

Polonia has obtained funds through deposits and through the use of FHLB advances. The Bank's competitive rates for deposits and five offices in its local market in conjunction with its focus on service have been the sources for attracting retail deposits. Deposits increased \$3.4 million or 2.4 percent from December 31, 2003, to December 31, 2005, with an average annual rate of increase of 1.2 percent. For the three months ended March 31, 2006, deposits decreased by \$1.2 million or 0.8 percent. The Bank's largest annual deposit growth was in 2005, when deposits increased \$9.1 million or a moderate 6.9 percent.

The Bank witnessed a decrease in its dollar equity amount in each of the two years from December 31, 2003, through December 31, 2005, and also experienced a modest decrease in equity from December 31, 2005, through March 31, 2006. At December 31, 2003, the Bank had equity of \$13.0 million, representing a 6.99 percent equity to assets ratio and then decreased to \$12.0 million at December 31, 2005, representing a lower 6.92 percent equity to assets ratio due to the Bank's losses in 2005 reduced by a decrease in assets. At March 31, 2006, equity was a lesser \$11.6 million and a lower 6.72 percent of assets due to the Bank's losses in the three months ended March 31, 2006.

The overall decrease in the equity to assets ratio from December 31, 2003 to March 31, 2006 was the result of the Bank's losses on the sale of securities and operating losses. The dollar amount of equity decreased 7.4 percent from December 31, 2003, to December 31, 2005, and then decreased 3.7 percent from December 31, 2005, through March 31, 2006.

INCOME AND EXPENSE

Exhibit 6 presents selected operating data for Polonia. This table provides key income and expense figures in dollars for the fiscal years of 2003, 2004 and 2005 and for the three months ended March 31, 2005 and 2006.

Polonia experienced a moderate decrease in its dollar amount of interest income from fiscal 2003 to fiscal 2005, partially due to the decline in interest rates. Interest income was \$8.98 million in 2003 and a lesser \$8.23 million in 2005, representing a decrease of \$754,000 or 8.4 percent.

The Bank's interest expense also experienced a decrease from fiscal year 2003 to 2005. Interest expense decreased from \$4.39 million in 2003 to \$3.48 million in 2005, representing a decrease of \$914,000 or 20.8 percent. Interest income decreased a lesser \$754,000. In 2005, there was a minimal decrease in interest income of \$2,000, notwithstanding the increase in interest expense of \$94,000, resulting in a dollar decrease in annual net interest income of \$96,000 or 2.0 percent for the fiscal year ended December 31, 2005, and a modest increase in net interest margin.

The Bank has not made provisions for loan losses in any of the past three calendar years of 2003, 2004 and 2005. The Bank also made no provisions in the three months ended March 31, 2006. The absence of provisions were determined in recognition of the Bank's nonperforming assets, charge-offs, repossessed assets, and industry norms. The Bank had net charge-offs of \$88,000, \$44,000 and \$41,000 in 2003, 2004 and 2005, and a recovery of \$1,000 in the three months ended March 31, 2006. The impact of these net charge-offs has been to provide Polonia with a general valuation allowance of \$652,000 at March 31, 2006, or 0.66 percent of gross loans and 232.0 percent of nonperforming loans.

Total other income or noninterest income indicated a decrease from calendar year 2003 to 2005. In the year ended December 31, 2003, noninterest income was \$1,274,000 or 0.69 percent of assets. In the year ended December 31, 2005, noninterest income was a negative

Income and Expense (cont.)

\$53,000, representing 0.03 percent of assets with the loss due to an \$842,000 loss on the sale of securities. For the three months ended March 31, 2006, noninterest income was \$75,000 or 0.17 percent of assets. Noninterest income consists primarily of service charges, loan fees, and gains on the sale of investments.

The Bank's general and administrative expenses or noninterest expenses increased from \$5.23 million for the calendar year of 2003 to \$5.49 million for the calendar year ended December 31, 2005, representing an increase of 4.85 percent or an average annual increase of 2.42 percent. On a percent of average assets basis, operating expenses increased from 2.78 percent of average assets for the calendar year ended December 31, 2003, to 3.17 percent for the calendar year ended December 31, 2005, and then increased to 3.20 percent for the three months ended March 31, 2006, annualized.

The net earnings position of Polonia has indicated volatility in 2003 through March 31, 2006. The annual net income figures for the calendar years ended December 31, 2003, 2004 and 2005 were \$452,000, \$329,000 and a loss of \$651,000, respectively, representing returns on average assets of 0.24 percent, 0.18 percent and (0.38) percent for fiscal years 2003, 2004 and 2005, respectively. In the three months ended March 31, 2006, Polonia had a net loss of \$151,000, representing a return on average assets of (0.35) percent.

Exhibit 7 provides the Bank's normalized earnings or core earnings for the twelve months ended March 31, 2006. The Bank's normalized earnings eliminate any nonrecurring income and expense items. There was one adjustment to noninterest income (gains) to eliminate \$993,000 in losses on the sale of securities, resulting in a decrease in the annual loss from \$894,00 to \$62,000.

The key performance indicators comprised of selected performance ratios, asset quality ratios and capital ratios are shown in Exhibit 8 to reflect the results of performance. The Bank's

Income and Expense (cont.)

return on assets decreased moderately from 0.24 percent in 2003, to (0.38) percent in calendar year 2005 and then to (0.35) percent in the three months ended March 31, 2006, annualized.

The Bank's net interest rate spread increased from 2.59 percent in 2003 to 2.97 percent in 2005 and then decreased to 2.74 percent for the three months ended March 31, 2006, annualized. The Bank's net interest margin indicated a similar trend, increasing from 2.64 percent in 2003 to 3.04 percent in 2005, and then decreased to 2.84 percent for the first three months of 2006. Polonia's net interest rate spread increased 38 basis points from 2003 to 2005 and then decreased 23 basis points in the first three months of 2006. The Bank's net interest margin followed a similar change, increasing 40 basis points from 2003 to 2005 and then decreased 18 basis points in the first three months of 2006.

The Bank's lower return on average equity decreased slightly from 2003 to 2005. The return on average equity decreased from 3.35 percent in 2003 to (5.13) percent in fiscal year 2005 and was a similar (5.06) percent for the three months ended March 31, 2006.

Polonia's ratio of interest-earning assets to interest-bearing liabilities increased modestly from 101.96 percent at December 31, 2003, to 103.63 percent at March 31, 2006. The Bank's increase in its ratio of interest-earning assets to interest-bearing liabilities is primarily the result of the Bank's decrease in its borrowed funds.

The Bank's ratio of noninterest expenses to average assets increased from 2.78 percent in fiscal year 2003 to 3.17 percent in fiscal year 2005 to 3.20 percent in three months ended March 31, 2006. Another key noninterest expense ratio reflecting efficiency of operation is the ratio of noninterest expenses to noninterest income plus net interest income referred to as the "efficiency ratio." The industry norm is 59.6 percent with the lower the ratio indicating higher efficiency. Historically, the Bank has been characterized by lower efficiency, reflected in its higher efficiency ratio, which increased from 87.69 percent in 2003 to 99.08 percent in 2005 to 99.71 percent in the three months ended March 31, 2006.

Income and Expense (cont.)

Earnings performance can be affected by an institution's asset quality position. The ratio of nonperforming loans to total loans is a key indicator of asset quality. Polonia witnessed a decrease in its nonperforming loan ratio from 2003 to 2005, and the ratio is below the industry norm. Nonperforming loans consist of loans delinquent 90 days or more and nonaccruing loans. Polonia's nonperforming loans consisted of just nonaccrual loans. The ratio of nonperforming loans to total loans was a lower 0.29 percent at March 31, 2006, decreasing from 0.49 percent at December 31, 2003.

Two other indicators of asset quality are the Bank's ratios of allowance for loan losses to total loans and also to nonperforming loans. The Bank's allowance for loan losses was 0.74 percent of loans at December 31, 2003, and a lesser 0.66 percent at March 31, 2006. As a percentage of nonperforming loans, Polonia's allowance for loan losses to nonperforming loans was 153.0 percent at December 31, 2003, and a higher 232.0 percent at March 31, 2006.

Exhibit 9 provides the changes in net interest income due to rate and volume changes for the calendar year of 2005 and the three months ended March 31, 2006. In calendar year 2005, net interest income decreased \$21,000, due to an increase in interest expense of \$95,000 reduced by a \$74,000 increase in interest income. The increase in interest income was due to an increase due to rate of \$262,000, reduced by a decrease due to volume of \$188,000. The increase in interest expense was due to an \$307,000 increase due to rate, reduced by a \$212,000 decrease due to volume.

In the three months ended March 31, 2006, net interest income decreased \$76,000, due to an increase in interest expense of \$167,000 reduced by a \$91,000 increase in interest income. The increase in interest income was due to an increase due to rate of \$116,000, reduced by a decrease due to volume of \$25,000. The increase in interest expense was due to a \$207,000 increase due to rate, reduced by a \$40,000 decrease due to volume.

YIELDS AND COSTS

The overview of yield and cost trends for the years ended December 31, 2004 and 2005, the three months ended March 31, 2006 and at March 31, 2006, can be seen in Exhibit 10, which offers a summary of key yields on interest-earning assets and costs of interest-bearing liabilities.

Polonia's weighted average yield on its loan portfolio decreased 8 basis points from fiscal year 2004 to 2005, from 5.99 percent to 5.91 percent and then decreased 11 basis points to 5.80 percent for the three months ended March 31, 2006. The yield on investment and mortgage-backed securities increased 61 basis points from fiscal year 2004 to 2005, from 3.61 percent to 4.22 percent and then increased 55 basis points to 4.77 percent for the three months ended March 31, 2006. The combined weighted average yield on all interest-earning assets increased 24 basis points to 5.23 percent from fiscal year 2004 to 2005 and then increased 8 basis points to 5.31 percent for the three months ended March 31, 2006.

Polonia's weighted average cost of interest-bearing liabilities increased 15 basis points to 2.27 percent from calendar year 2004 to 2005, which was less than the Bank's 25 basis point increase in yield, resulting in an increase in the Bank's net interest rate spread of 10 basis points from 2.87 percent to 2.97 percent from 2004 to 2005. The Bank's net interest margin increased from 2.94 percent in fiscal year 2004 to 3.04 percent in fiscal year 2005, representing an increase of 10 basis points. In the three months ended March 31, 2006, the Bank's net interest rate spread decreased 23 basis points to 2.74 percent, and the Bank's net interest margin decreased 18 basis points to 2.86 percent. The Bank's net interest rate spread decreased another 8 basis points to 2.66 percent at March 31, 2006, and net interest margin decreased another 4 basis points to 2.82 percent at March 31, 2006.

INTEREST RATE SENSITIVITY

Polonia monitors its interest rate sensitivity position and has focused on maintaining a moderate level of interest rate risk exposure. Polonia has no adjustable-rate loans but does have a moderate share of shorter term securities. Polonia recognizes the thrift industry's historically higher interest rate risk exposure, which caused a negative impact on earnings and net portfolio value of equity in the past as a result of significant fluctuations in interest rates, specifically rising rates in the past. Such exposure was due to the disparate rate of maturity and/or repricing of assets relative to liabilities commonly referred to as an institution's "gap." The larger an institution's gap, the greater the risk (interest rate risk) of earnings loss due to a decrease in net interest margin and a decrease in net portfolio value of equity or portfolio loss. In response to the potential impact of interest rate volatility and negative earnings impact, many institutions have taken steps to minimize their gap position. This frequently results in a decline in the institution's net interest margin and overall earnings performance. Polonia has responded to the interest rate sensitivity issue by increasing its share of shorter term securities.

The Bank measures its interest rate risk through the use of its net portfolio value ("NPV") of the expected cash flows from interest-earning assets and interest-bearing liabilities and any off-balance sheets contracts. The NPV for the Bank is calculated on a quarterly basis, by the OTS, showing the Bank's NPV to asset ratio, the dollar change in NPV, and the change in the NPV ratio for the Bank under rising and falling interest rates. Such changes in NPV ratio under changing rates are reflective of the Bank's interest rate risk exposure.

There are numerous factors which have a measurable influence on interest rate sensitivity in addition to changing interest rates. Such key factors to consider when analyzing interest rate sensitivity include the loan payoff schedule, accelerated principal payments, investment maturities, deposit maturities and deposit withdrawals.

Exhibit 11 provides the Bank's NPV levels and ratios as of March 31, 2006, based on the OTS' calculations and the changes in the Bank's NPV levels under rising and declining

Interest Rate Sensitivity (cont.)

interest rates. The focus on this exposure table is a 200 basis point change in interest rates either up or down.

The Bank's change in its NPV at March 31, 2006, based on a rise in interest rates of 100 basis points was a 22.0 percent decrease, representing a dollar decrease in equity value of \$4,272,000. In contrast, based on a decline in interest rates of 200 basis points, the Bank's NPV was estimated to increase 18.0 percent or \$3,452,000 at March 31, 2006. The Bank's exposure increases to a 44.0 percent decrease under a 200 basis point rise in rates, representing a dollar decrease in equity of \$8,609,000. The Bank's exposure is a 20.0 percent increase based on a 200 basis point decrease in interest rates, representing a dollar increase of \$4,001,000.

The Bank's post shock NPV ratio based on a 200 basis point rise in interest rates is 6.47 percent and indicates a 443 basis point decrease from its 10.90 percent based on no change in interest rates.

The Bank is aware of its moderate interest rate risk exposure under rapidly rising rates and minimal exposure under falling rates. Due to Polonia's recognition of the need to control its interest rates exposure, the Bank has been a participant in the purchase of adjustable-rate mortgage-backed securities and plans to continue this strategy but with continued activity in fixed-rate residential mortgage loans. The Bank will also focus on increasing its lower NPV ratio, recognizing the planned minority stock offering will immediately strengthen the Bank's NPV ratio.

LENDING ACTIVITIES

Polonia has focused its lending activity on the origination of conventional mortgage loans secured by one- to four-family dwellings, commercial real estate loans, home equity loans, multi-family loans, and consumer loans. Exhibit 12 provides a summary of Polonia's loan portfolio, by loan type, at December 31, 2004 and 2005, and at March 31, 2006.

The primary loan type for Polonia has been residential loans secured by one- to four-family dwellings, representing a strong 90.9 percent of the Bank's gross loans as of March 31, 2006. This share of loans has seen a slight increase from 90.0 percent at December 31, 2004. The second largest real estate loan type as of March 31, 2006, was multi-family and commercial real estate loans, which comprised a modest 3.6 percent of gross loans compared to 3.7 percent as of December 31, 2004. The third key real estate loan type was home equity loans, which represented 2.7 percent of gross loans as of March 31, 2006, compared to a larger 2.8 percent at December 31, 2004. These three real estate loan categories represented a strong 97.2 percent of gross loans at March 31, 2006, compared to a similar 96.5 percent of gross loans at December 31, 2004.

The consumer loan category was the other loan category at March 31, 2006, and represented a modest 2.8 percent of gross loans compared to 3.5 percent at December 31, 2004. Consumer loans were the third largest overall loan type at March 31, 2006, and were also the third largest loan category at December 31, 2004. The Bank's consumer loans include education loans, savings account loans, and secured personal loans. The overall mix of loans has witnessed minimal change from December 31, 2004 to March 31, 2006, with the Bank having slightly increased its share of one- to four-family loans to offset its decrease in multi-family and commercial real estate loans.

The emphasis of Polonia's lending activity is the origination of conventional mortgage loans secured by one- to four-family residences. Such residences are located primarily in Polonia's primary market area of Bucks, Montgomery and Philadelphia Counties. At March

Lending Activities (cont.)

31, 2006, 90.9 percent of Polonia's gross loans consisted of loans secured by one- to four-family residential properties.

The Bank offers fixed-rate mortgage loans, but does not offer adjustable-rate mortgage loans. Fixed-rate mortgage loans have a maximum term of 30 years with most originations today having terms of 10 to 30 years. The Bank's fixed-rate mortgage loans conform to FHLMC underwriting standards.

The normal loan-to-value ratio for conventional mortgage loans to purchase or refinance one-to four-family dwellings generally does not exceed 80.0 percent at Polonia, even though the Bank is permitted to make loans up to a 95.0 percent loan-to-value ratio. While the Bank does make loans up to 95.0 percent of loan-to-value, the Bank requires private mortgage insurance for the amount in excess of the 80.0 percent loan-to-value ratio. Mortgage loans originated by the Bank include due-on-sale clauses enabling the Bank to adjust rates on fixed-rate loans in the event the borrower transfers ownership. The Bank also requires an escrow account for insurance and taxes on loans with a loan-to-value ratio in excess of 80.0 percent.

Polonia has also been an originator of fixed-rate commercial real estate loans and multi-family loans in the past and will continue to make multi-family and commercial real estate loans. The Bank had a total of \$3.5 million in commercial real estate and multi-family loans combined at March 31, 2006, or 3.6 percent of gross loans, compared to a larger \$3.6 million or 3.7 percent of gross loans at December 31, 2004. The major portion of commercial real estate and multi-family loans are secured by apartment buildings, small retail establishments and small office buildings and other owner-occupied properties used for business. The multi-family and commercial real estate loans are fully amortizing with a term of up to 30 years. The maximum loan-to-value ratio is normally 80.0 percent.

Lending Activities (cont.)

The Bank also originates home equity loans. The Bank had \$2.7 million or 2.7 percent of gross loans in home equity loans at March 31, 2006. Home equity loans normally have a term of up to 15 years with a fixed interest rate and a loan-to-value ratio of no more than 80.0 percent.

loans, 80.0 percent, offering home equity lines of credit with adjustable rates tied to a market index.

Polonia is an originator of consumer loans, excluding home equity loans, with these loans totaling \$2.7 million at March 31, 2006, and representing 2.8 percent of gross loans. The focus of the Bank's consumer loans is education loans, with the Bank also offering loans on savings accounts and secured personal loans. The Bank's education loans have an annual variable rate which may not exceed 9.0 percent with a term ranging from 10 to 15 years.

Exhibit 13 provides a loan maturity schedule and breakdown and summary of Polonia's loans by fixed or adjustable-rate, indicating all loans are fixed-rate loans. At March 31, 2006, the Bank had a modest 3.3 percent of its loans due on or before March 31, 2008, or in one year or less, with only 4.0 percent due by March 31, 2012, or in one to five years.

As indicated in Exhibit 14, Polonia experienced a modest decrease in its one-to four-family loan originations and total loan originations from calendar year 2004 to 2005 and a moderate decrease in loans purchased. Total loan originations in calendar year 2004 were \$15.29 million compared to a lesser \$15.25 million in calendar year 2005, reflective of lower balances of one- to four-family loans and consumer loans originated. One- to four-family loans decreased from \$13.8 million to \$13.3 million. The decrease in one- to four-family real estate loan originations from 2004 to 2005 of \$413,000 represented 11.5 times the \$36,000 aggregate decrease in total loan originations from 2004 to 2005, with consumer loans decreasing \$256,000. Commercial real estate and multi-family loans increased \$338,000 from 2004 to 2005, and home equity loans originated increased \$295,000. Loan purchases decreased from \$7.1 million in 2004 to \$1.8 million in 2005.

Lending Activities (cont.)

Overall, loan originations and purchases fell short of principal payments, loan repayments and other deductions in 2004 and exceeded reductions in 2005. In calendar 2004, loan originations fell short of reductions by \$1.9 million, and then exceeded reductions by \$209,000 in 2005.

In the three months ended March 31, 2006, loan originations totaled \$2.77 million compared to a similar \$2.78 million in the same period in 2005. Loan originations fell short of reductions in the three months ended March 31, 2005, by \$1.1 million and exceeded reductions in the three months ended March 31, 2006, by \$541,000.

NONPERFORMING ASSETS

Polonia understands asset quality risk and the direct relationship of such risk to delinquent loans and nonperforming assets, including real estate owned. The quality of assets has been a key concern to financial institutions through many regions of the country. A number of financial institutions have been confronted with rapid increases in their nonperforming assets and have been forced to recognize significant losses, setting aside major valuation allowances.

A sharp increase in nonperforming assets has often been related to specific regions of the county and has frequently been associated with higher risk loans, including purchased commercial real estate loans and multi-family loans. Polonia witnessed a modest decrease in nonperforming assets from December 31, 2004, to March 31, 2006.

Exhibit 15 provides a summary of Polonia's delinquent loans at December 31, 2004 and 2005 and at March 31, 2006, indicating an overall decrease in delinquent loans from December 31, 2004, to March 31, 2006. The Bank had \$4,000 in loans delinquent 60 to 89 days at March 31, 2006. Loans delinquent 30 to 59 days totaled \$45,000 at March 31, 2006, with these two categories representing 0.05 percent of gross loans with all of them consumer loans. At

Nonperforming Assets (cont.)

December 31, 2004, delinquent loans of 60 to 89 days totaled a higher \$45,000 or 0.05 percent of gross loans and loans delinquent 30 to 59 days totaled \$202,000 or 0.21 percent of gross loans for a combined share of a higher 0.26 percent of gross loans, compared to a lower \$49,000 or 0.05 percent of gross loans at March 31, 2006.

It is normal procedure for Polonia's board to review loans delinquent 90 days or more on a monthly basis, to assess their collectibility and to initiate any direct contact with borrowers. When a loan is delinquent 5 to 15 days, the Bank sends a notice to the borrower, possibly accompanied by a phone call, and after 15 days delinquency, a second notice is sent. The Bank then initiates both written and oral communication with the borrower if the loan remains delinquent and sends additional notices after 15 days delinquency and 45 days of delinquency.

When the loan becomes delinquent at least 90 days, the Bank will send a letter to the borrower declaring acceleration of payment and providing the borrower 30 days to make arrangements for payments. Under certain circumstances, the Bank may arrange for an alternative payment structure through a workout agreement. A decision as to whether and when to initiate foreclosure proceeding is based on such factors as the amount of the outstanding loan, the extent of the delinquency and the borrower's ability and willingness to cooperate in curing the delinquency. The Bank generally initiates foreclosure when a loan has been delinquent 120 days and no workout agreement has been reached.

Exhibit 16 provides a summary of Polonia's nonperforming assets at December 31, 2004 and 2005 and at March 31, 2006. Nonperforming assets include loans 90 days or more past due, nonaccruing loans and real estate owned. The Bank carried a lower balance of nonperforming assets in 2004 and 2005 and at March 31, 2006. Polonia's nonperforming assets was \$1,018,000 at December 31, 2004, and a lesser \$281,000 at March 31, 2006, which represented 0.58 percent of assets at December 31, 2004 and 0.16 percent at March 31, 2006. The Bank's nonperforming assets included \$338,000 in nonaccrual loans, no loans 90 days or more past due

Nonperforming Assets (cont.)

and \$680,000 in real estate owned for a total of \$1,018,000 at December 31, 2004 and no real estate owned, no loans 90 days or more past due, and \$281,000 in nonaccrual loans for a total of \$281,000 at March 31, 2006.

Polonia's nonperforming assets were identical to its classified assets at March 31, 2006, and lower than its classified assets at December 31, 2004 and 2005. The Bank's classified assets were 0.62 percent of assets at December 31, 2004 and 0.16 percent at March 31, 2006 (reference Exhibit 17). The Bank's classified assets consisted of \$281,000 in substandard assets, with no assets classified as doubtful or loss at March 31, 2006.

Exhibit 18 shows Polonia's allowance for loan losses at December 31, 2004 and 2005 and at March 31, 2005 and 2006, indicating the activity and the resultant balances. Polonia has witnessed a modest decrease in its balance of allowance for loan losses from \$692,000 at December 31, 2004 to \$652,000 at March 31, 2006. The Bank had no provisions for loan losses in fiscal 2004 and 2005 and in the three months ended March 31, 2006.

The Bank had net charge-offs of \$44,000 in fiscal 2004, and \$41,000 in 2005 with a net recovery of \$1,000 in the three months ended March 31, 2006. The Bank's ratio of allowance for loan losses to gross loans was 0.71 percent at December 31, 2004, and a lesser 0.66 percent at March 31, 2006, due to no provisions. Allowance for loan losses to nonperforming loans were 204.0 percent at December 31, 2004, and 232.0 percent at March 31, 2006.

INVESTMENTS

The investment and securities portfolio, excluding interest-bearing deposits, has been comprised of U.S. government and federal agency obligations, equity securities, corporate securities, and mortgage-backed securities. Exhibit 19 provides a summary of Polonia's investment portfolio at December 31, 2004 and 2005, and at March 31, 2006. The exhibit also

Investments (cont.)

includes the Bank's mortgage-backed securities at December 31, 2004 and 2005, and at March 31, 2006. Investment securities totaled \$19.5 million at March 31, 2006, compared to \$45.8 million at December 31, 2004. In addition, the Bank had \$38.0 million in mortgage-backed securities at December 31, 2006, and a lesser \$15.6 million at December 31, 2004.

The primary component of investment securities at March 31, 2006, was mortgage-backed securities, representing 66.0 percent of total investments, excluding FHLB stock, compared to a lesser 25.4 percent at December 31, 2004. The Bank also had cash and interest-bearing deposits totaling \$3.3 million at March 31, 2006, and a lesser \$1.9 million at December 31, 2004. The Bank had \$1,206,300 in FHLB stock at March 31, 2006. The weighted average yield on investment securities was 4.87 percent for the three months ended March 31, 2006, and a lower 3.61 percent yield on investment securities for the year ended December 31, 2004.

DEPOSIT ACTIVITIES

The mix of deposits by type at December 31, 2004 and 2005, and at March 31, 2006, is provided in Exhibit 20. There has been a modest change in total deposits and in the deposit mix during this period. Total deposits have increased from \$132.9 million at December 31, 2004 to \$140.8 million at March 31, 2006, representing an increase of \$7.9 million or 5.9 percent. Certificates of deposits have increased from \$50.5 million at December 31, 2004, to \$64.4 million at March 31, 2006, representing an increase of \$13.9 million or 27.4 percent, while savings, demand and MMDA accounts have decreased \$5.9 million from \$82.4 million at December 31, 2004, to \$76.5 million at March 31, 2006, or 7.2 percent.

The Bank's share of certificates of deposit witnessed an increase, rising from a lower 38.0 percent of deposits at December 31, 2004, to a moderately higher 45.7 percent of deposits at March 31, 2006. The major component of certificates at March 31, 2006, had rates between 2.01 percent and 4.00 percent and represented 59.0 percent of certificates. At December 31,

Deposit Activities (cont.)

2004, the major component of certificates was the zero percent to 2.00 percent category with a lesser 51.8 percent of certificates. The category witnessing the strongest growth in dollars from December 31, 2004, to March 31, 2006, was certificates with rates between 4.01 percent and 6.00 percent, which increased \$22.2 million during this time period. The category witnessing the largest dollar decrease from December 31, 2004, to December 31 2005, was certificates with rates of 2.0 percent or less, which declined \$25.1 million.

Exhibit 21 also provides a breakdown of certificates by maturity as of March 31, 2006. A strong \$42.9 million of the Bank's certificates of deposit was certificates maturing in one to two years, which represented 66.7 percent of certificates. The largest category of certificates based on interest rate was certificates with rates from 2.01 percent to 4.00 percent, totaling \$38.0 million, representing 59.0 percent of certificates.

Exhibit 22 shows the Bank's deposit activity for the two years ended December 31, 2004, and 2005, and for the three months ended March 31, 2005 and 2006. Including interest credited, Polonia experienced net increases in deposits in the fiscal year ended 2005 and the three months ended March 31, 2005. In fiscal year 2004, there was a net decrease in deposits of \$6.6 million, and a net increase of \$9.1 million in 2005. In the three months ended March 31, 2005, deposits increased \$697,000 and decreased \$1,189,000 in the three months ended March 31, 2006.

BORROWINGS

Polonia has made regular use of FHLB advances in the years ended December 31, 2004 and 2005, and in the three months ended March 31, 2006. The Bank had total FHLB advances of \$26.6 million at December 31, 2004, with a weighted cost of 4.41 percent and a lower balance of \$17.4 million at March 31, 2006, with a weighted cost of 3.75 percent.

SUBSIDIARIES

Polonia had two wholly-owned subsidiaries at March 31, 2006, Polonia Bank Mutual Holding Company ("PBMHC") and Community Abstract Agency LLC. PBMHC was formed in 1997 to hold certain assets and conduct certain investment activities at Polonia. Community Abstract Agency was formed in 1999 to provide title insurance services.

OFFICE PROPERTIES

Polonia had five offices at March 31, 2006, its home office located at 3993 Huntingdon Pike in Huntingdon Valley, and four branches in Philadelphia (reference Exhibit 24). Polonia owns all five of its offices. At March 31, 2006, the Bank's net investment in these office premises totaled \$5.1 million or 2.93 percent of assets and the Bank's total investment in fixed assets, based on depreciated cost, was \$5.6 million or 3.22 percent of assets.

MANAGEMENT

The president and chief executive officer of Polonia is Anthony J. Szuszezewicz, who is also a director and chairman of the board. He became president and chief executive officer in 2006 and became director in 1984 and chairman in 1995. Paul D. Rutkowski is chief financial officer and treasurer of the Bank and has served as chief financial officer since 2005. Mr. Rutkowski served as controller and treasurer from 1992 to 2005. Kenneth J. Maliszewski is senior vice president of the Bank, a position he has held since 2005. Mr. Maliszewski previously served as vice president from 1993 to 2005.

II. DESCRIPTION OF PRIMARY MARKET AREA

Polonia's market area encompasses Philadelphia, Bucks and Montgomery Counties in Pennsylvania. Four of the Bank's five offices are in Philadelphia County and are the source of 88 percent of its deposits. The Bank's home office is in Montgomery County, accounting for the remaining 12 percent of its deposits.

Exhibit 26 provides a summary of key demographic data and trends for Bucks, Montgomery and Philadelphia Counties, Pennsylvania and the United States. From 1990 to 2000, population decreased in Philadelphia County but increased in Bucks County, Montgomery County, Pennsylvania and the United States. The population decreased by 4.3 percent in Philadelphia County and increased by 4.2 percent in Bucks County, 3.3 percent in Montgomery County, 3.4 percent in Pennsylvania and 13.2 percent in the United States. The population in 2005 indicated a decrease from 2000 in Philadelphia County, while Bucks County and Montgomery County indicated increases of 4.2 percent and 3.3 percent, respectively, compared to five year increases of 1.6 percent in Pennsylvania and 6.1 percent in the United States. Projections indicate that population will increase in all areas through 2010. Bucks County's population is projected to increase by 3.9 percent, and population is projected to increase by 3.0 percent in Montgomery County, 1.1 percent in Philadelphia County, 1.7 percent in Pennsylvania and 6.3 percent in the United States.

Bucks and Montgomery Counties, but not Philadelphia County, experienced increases in households from 1990 to 2000. During those ten years, the number of households increased in Bucks County by 14.8 percent, in Montgomery County by 12.2 percent, in Pennsylvania by 6.3 percent and in the United States by 14.7 percent, but Philadelphia County's households decreased by 2.2 percent. The trend in household growth from 2000 to 2005 indicates an increase in Bucks County of 6.1 percent, with Montgomery County increasing its households by 4.9 percent. Philadelphia County decreased in households by 0.9 percent. Pennsylvania indicated an increase of 3.0 percent, lower than the United States' at 6.6 percent. From 2005 through the year 2010, Philadelphia County's households are projected to decrease by 0.9 percent, while the number of households are expected to increase by 4.8 percent, 3.6 percent,

Description of Primary Market Area (cont.)

2.4 percent and 6.5 percent in Bucks County, Montgomery County, Pennsylvania and the United States, respectively.

In 1990, the market area counties had per capita income of \$18,292 in Bucks County, \$21,990 in Montgomery County and \$12,091 in Philadelphia County, while Pennsylvania and the United States had 1990 per capita income of \$14,068 and \$14,420, respectively. From 1990 to 2000, per capita income increased in all areas. The market area counties' per capita income increased from 1990 to 2000 by 50.0 percent to \$27,430 in Bucks County, by 40.5 percent to \$30,898 percent in Montgomery County and by 36.5 percent to \$16,509 in Philadelphia County; and per capita income increased by 48.4 percent in Pennsylvania to \$20,880 and by 50.4 percent to \$21,684 in the United States. From 2000 to 2005, per capita income continued to increase by 27.0 percent, 28.5 percent and 24.2 percent to \$34,847, \$39,711 and \$20,499 in Bucks, Montgomery and Philadelphia Counties, respectively, and by 25.9 percent to \$26,295 in Pennsylvania and by 21.0 percent to \$26,228 in the United States.

The 1990 median household income of \$43,347, \$43,720 and \$24,603, in the market area counties of Bucks, Montgomery and Philadelphia, respectively, was higher than the median household income in Pennsylvania and the United States at \$29,069 and \$28,525, respectively. From 1990 to 2000, median household income increased in all areas, with Bucks County indicating a 37.8 percent increase to \$59,727, Montgomery indicating a 39.1 percent increase, and Philadelphia County indicating a 25.0 percent increase to \$30,746, compared to a 38.0 percent increase to \$40,106 in Pennsylvania and a 44.9 percent increase to \$41,343 in the United States. From 2000 to 2005, median household income in the market area counties was estimated to have increased 23.1 percent, 24.5 percent and 19.9 percent to \$73,522, \$75,725 and \$36,853, in Bucks, Montgomery and Philadelphia Counties, respectively. Pennsylvania's median household income grew 21.0 percent to \$48,534, and the United States' increase was 21.0 percent to \$48,534 from 2000 to 2005. From 2005 to 2010, median household income is projected to increase by 21.7 percent in Bucks County, by 28.3 percent in Montgomery County, by 20.2 percent in Philadelphia County, by 19.6 percent in Pennsylvania and by 20.3 percent

Description of Primary Market Area (cont.)

in the United States. Based on those rates of increase, by 2010, median household income is projected to be \$89,443 in Bucks County, \$97,128 in Montgomery County, \$44,292 in Philadelphia County, \$58,058 in Pennsylvania, and \$58,384 in the United States.

Exhibit 27 provides a summary of key housing data for the market area counties, Pennsylvania and the United States. In 1990, Bucks County had a rate of owner-occupancy of 75.7 percent, higher than all other areas, with Montgomery County at 24.3 percent, Philadelphia County at 61.9 percent and Pennsylvania and the United States at 70.7 percent and 64.2 percent, respectively. As a result, Bucks County supported a lower rate of renter-occupied housing of 24.3 percent, compared to 27.7 percent in Montgomery County, 38.1 percent in Philadelphia County, 29.3 percent in Pennsylvania and 35.8 percent in the United States. In 2000, owner-occupied housing increased in Bucks County to 77.4 percent and in Montgomery County to 73.5 percent, but decreased in Philadelphia County to 59.3 percent. Owner-occupancy increased in Pennsylvania and the United States to 71.3 percent and 66.2 percent, respectively. Conversely, the renter-occupied rates decreased in Bucks County to 22.6 percent and in Montgomery County to 26.5 percent, increased in Philadelphia County to 26.5 percent, and decreased in Pennsylvania and the United States to 28.7 percent and 33.8 percent, respectively.

The market area counties' 1990 median housing values were \$139,000, \$142,400 and \$48,400, for Bucks, Montgomery and Philadelphia Counties, respectively, with Pennsylvania's median housing value at \$69,100 and the United States' at \$78,500. The 1990 median rents in the respective market area counties were \$604, 593 and \$452, compared to the median rent of Pennsylvania at \$404 and the United States at \$374. In 2000, median housing values had increased in the market area counties, Pennsylvania and the United States. The market area counties had 2000 median housing values of \$163,200, \$160,700 and \$59,700 in Bucks, Montgomery and Philadelphia Counties, respectively, with Pennsylvania at \$97,000 and the United States at \$119,600. The 2000 median rents were \$736, \$757 and \$569 in the market area counties of Bucks, Montgomery and Philadelphia, respectively, and \$531 and \$602 in Pennsylvania and the United States, respectively.

Description of Primary Market Area (cont.)

In 1990, the major source of employment in the market area (average of all three counties) by industry group, based on share of employment, was the services sector with an average of 39.2 percent. The services sector was also the source of the majority of employment in Pennsylvania and the United States with 36.6 percent of jobs in Pennsylvania and 34.0 percent in the United States (reference Exhibit 28). The wholesale/retail sector was the second major employer in the market area at 21.1 percent, as it was at 21.5 percent in Pennsylvania and 27.5 percent in the United States. The manufacturing sector was the third major employment sector at 18.3 percent, also third in Pennsylvania at 20.0 percent of the employment and in the United States at 19.2 percent. The construction sector, finance, insurance and real estate sector, transportation/utilities sector, and the agriculture/mining sector combined to provide 21.5 percent of employment in the market area, 21.9 percent of employment in Pennsylvania and 19.3 percent in the United States.

In 2000, the services industry, wholesale/retail trade, and manufacturing industry provided the first, second and third highest sources of employment, respectively, for the market area, similar to Pennsylvania and the United States. The services industry accounted for 49.3 percent, 46.4 percent and 46.7 percent in the market area, Pennsylvania and the United States, respectively. The wholesale/retail sector provided for 15.5 percent, 15.7 percent and 15.3 percent in the market area, Pennsylvania and the United States, respectively. The manufacturing sector provided 13.1 percent, 16.0 percent and 14.1 percent of employment in the market area, Pennsylvania and the United States, respectively.

Some of the largest employers in the area are listed below.

<u>Employer</u>	<u>Business</u>
Comcast	Cable TV/Internet Provider
CIGNA	Insurance Company
Lincoln Financial Group	Insurance Company
Sunoco	Energy Company
Aramark	Food Services

Description of Primary Market Area (cont.)

Crown Holdings Inc.
Rohn and Haas Company
Glaxo SmithKline
Boeing
Pep Boys

Packing Company
Specialty Chemicals
Pharmaceuticals
Helicopters Division
Automotive Parts

Unemployment rates are another key economic indicator. Exhibit 29 shows the unemployment rates in Bucks, Montgomery and Philadelphia Counties, Pennsylvania and the United States in 2002 through April of 2006. Bucks County and Montgomery Counties have been characterized by lower unemployment rates compared to Philadelphia County, Pennsylvania and the United States. In 2002, Bucks County had an unemployment rate of 4.9 percent, compared to unemployment rates of 4.5 percent in Montgomery County, 7.6 percent in Philadelphia County, 5.6 percent in Pennsylvania and 5.8 percent in the United States. Unemployment rates decreased in 2003 to 4.7 percent in Bucks County, compared to increases to 7.8 percent in Philadelphia County, 5.7 percent in Pennsylvania and 6.0 percent in the United States, while Montgomery County's unemployment rate remained at 4.5 percent. In 2004, the unemployment rate remained at 4.7 percent in Bucks County, while Montgomery County, Philadelphia County, Pennsylvania and the United States had decreases in their unemployment rates to 4.3 percent, 7.5 percent, 5.5 percent and 5.5 percent, respectively. In 2005, all areas had unemployment rate decreases. Bucks, Montgomery and Philadelphia Counties had unemployment rates of 4.1 percent, 3.9 percent and 6.8 percent while Pennsylvania and the United States decreased to 5.0 percent and 5.1 percent. Through April of 2006, unemployment rates continued to decrease to 3.6 percent, 3.4 percent, 5.9 percent, 4.4 percent and 4.5 percent in Bucks, Montgomery and Philadelphia Counties, Pennsylvania and the United States.

Exhibit 30 provides deposit data for banks and thrifts in Montgomery and Philadelphia Counties. Polonia's deposit base in the market area was \$131.5 million or a 0.7 percent share of the \$19.6 billion total thrift deposits and a smaller 0.2 percent share of the total deposits, which were \$53.2 billion as of June 30, 2005. It is evident from the size of the thrift deposits and bank deposits that the market area has a strong deposit base, with Polonia having minimal market penetration for thrift deposits and total deposits.

Description of Primary Market Area (cont.)

Exhibit 31 provides interest rate data for each quarter for the years 2002 through the first quarter of 2006. The interest rates tracked are the Prime Rate, as well as 90-Day, One-Year and Thirty-Year Treasury Bills. Short term interest rates experienced a declining trend in 2002 and then a basically flat trend in 2003. This trend indicates some increase in One-Year Treasury Bills and 30-Year Treasury Notes. Then rates have indicated constant increases in each quarter in 2005 and continuing at a strong pace in 2006.

SUMMARY

To summarize, the primary component of Polonia's market area, Philadelphia County, has experienced a decrease in population and households since 1990. Such a pattern is projected to continue from 2005 through 2010. Philadelphia County indicated a lower per capita income and lower household income than Pennsylvania and the United States. In both 1990 and 2000, the median rent in Philadelphia County was slightly higher than Pennsylvania's median rent but lower than the national average. In 1990 and 2000, Philadelphia County's median housing value was significantly lower than Pennsylvania and the United States. All demographic metrics in Montgomery and Bucks Counties were higher than Philadelphia County, Pennsylvania and the United States, but represent a small component of Polonia's current market area.

The three county market area has had slightly lower unemployment rates compared to Pennsylvania and the United States. Finally, the market area is a competitive financial institution market dominated by banks with a total market deposit base for banks and thrifts in the market area that is \$53.2 billion in deposits.

III. COMPARABLE GROUP SELECTION

Introduction

Integral to the valuation of the Corporation is the selection of an appropriate group of publicly-traded thrift institutions, hereinafter referred to as the "comparable group". This section identifies the comparable group and describes each parameter used in the selection of each institution in the group, resulting in a comparable group based on such specific and detailed parameters, current financials and recent trading prices. The various characteristics of the selected comparable group provide the primary basis for making the necessary adjustments to the Corporation's pro forma value relative to the comparable group. There is also a recognition and consideration of financial comparisons with all publicly-traded, FDIC-insured thrifts in the United States and all publicly-traded, FDIC-insured thrifts in the Mid-Atlantic region and in Pennsylvania.

Exhibits 32 and 33 present Thrift Stock Prices and Pricing Ratios and Key Financial Data and Ratios, respectively, both individually and in aggregate, for the universe of 216 publicly-traded, FDIC-insured thrifts in the United States ("all thrifts"), excluding mutual holding companies, used in the selection of the comparable group and other financial comparisons. Exhibits 32 and 33 also subclassify all thrifts by region, including the 45 publicly-traded Mid-Atlantic thrifts ("Mid-Atlantic thrifts") and the 14 publicly-traded thrifts in Pennsylvania ("Pennsylvania thrifts"), and by trading exchange. Exhibit 34 presents prices, pricing ratios and price trends for all FDIC-insured thrifts completing their conversions between January 1, 2005, and June 1, 2006.

The selection of the comparable group was based on the establishment of both general and specific parameters using financial, operating and asset quality characteristics of Polonia as determinants for defining those parameters. The determination of parameters was also based on the uniqueness of each parameter as a normal indicator of a thrift institution's operating philosophy and perspective. The parameters established and defined are considered to be both reasonable and reflective of Polonia's basic operation.

Introduction (cont.)

Inasmuch as the comparable group must consist of at least ten institutions, the parameters relating to asset size and geographic location have been expanded as necessary in order to fulfill this requirement.

GENERAL PARAMETERS

Merger/Acquisition

The comparable group will not include any institution that is in the process of a merger or acquisition due to the price impact of such a pending transaction. The following thrift institutions were potential comparable group candidates but had to be eliminated due to their involvement in a merger/acquisition.

<u>Institution</u>	<u>State</u>
NewMil Bancorp, Inc.	Connecticut
Atlantic Liberty Financial	Pennsylvania
Laurel Capital Group	Pennsylvania

There is are no pending merger/acquisition transaction involving thrift institutions in Polonia's city, county or market area, as indicated in Exhibit 35.

Mutual Holding Companies

The comparable group will not include any mutual holding companies. The percentage of public ownership of individual mutual holding companies indicates a wide range from minimal to 49 percent, the largest permissible percentage, causing them to demonstrate certain varying individual characteristics different among themselves and from conventional, publicly-

Mutual Holding Companies (cont.)

traded companies. A further reason for the elimination of mutual holding companies as potential comparable group candidates relates to the presence of a mid-tier, publicly-traded holding company in some, but not all, mutual holding company structures. The presence of mid-tier holding companies can also result in inconsistent and unreliable comparisons among the relatively small universe of 66 publicly-traded mutual holding companies as well between those 66 entities and the larger universe of conventional, publicly-traded thrift institutions. As a result of the foregoing and other factors, mutual holding companies typically demonstrate higher pricing ratios that relate to their minority ownership structure and are inconsistent in their derivation with those calculated for conventionally structured, publicly-traded institutions. In our opinion it is appropriate to limit individual comparisons to institutions that are 100 percent publicly owned. Exhibit 35 presents pricing ratios and Exhibit 36 presents key financial data and ratios for the 66 publicly-traded, FDIC-insured mutual holding companies in the United States. The following thrift institutions were potential comparable group candidates, but were not considered due to their mutual holding company form:

<u>Institution</u>	<u>State</u>
Abbington Community Bancorp MHC	Pennsylvania
Atlantic Coast Federal, MHC	Georgia
BCSB Bancorp, Inc. MHC	Maryland
Cheviot Financial, MHC	Ohio
Clifton Savings Bancorp MHC	New Jersey
First Federal Financial Services, MHC	Illinois
Gouverneur Bancorp, MHC	New York
Greater Delaware Valley, MHC	Pennsylvania
Greene County Bancorp, MHC	New York
Jacksonville Savings Bank, MHC	Illinois
Kentucky First Federal MHC	Kentucky
Naugatuck Valley Financial, MHC	Connecticut
Ocean Shore Holding Co. MHC	New Jersey

Mutual Holding Companies (cont.)

Oneida Financial Corp MHC	New York
Pathfinder Bancorp, MHC	Pennsylvania
Prudential Bancorp, Inc. MHC	Pennsylvania
PSB Holdings, Inc, MHC	Connecticut
SI Financial Group, MHC	Connecticut
Westfield Financial Corp. MHC	Massachusetts

Trading Exchange

It is necessary that each institution in the comparable group be listed on one of the three major stock exchanges, the Pennsylvania Stock Exchange, the American Stock Exchange, or the National Bank of Securities Dealers Automated Quotation System (NASDAQ). Such a listing indicates that an institution's stock has demonstrated trading activity and is responsive to normal market conditions, which are requirements for listing. Of the 279 publicly-traded, FDIC-insured institutions, including 66 mutual holding companies, 14 are traded on the New York Stock Exchange, 6 are traded on the American Stock Exchange and 153 are listed on NASDAQ, 69 are traded on the OTC Bulletin Board and 37 are listed in the Pink Sheets.

IPO Date

Another general parameter for the selection of the comparable group is the initial public offering ("IPO") date, which must be at least four quarterly periods prior to the trading date of June 1, 2006, used in this report, in order to insure at least four consecutive quarters of reported data as a publicly-traded institution. The resulting parameter is a required IPO date prior to March 31, 2005.

Geographic Location

The geographic location of an institution is a key parameter due to the impact of various economic and thrift industry conditions on the performance and trading prices of thrift institution stocks. Although geographic location and asset size are the two parameters that have been developed incrementally to fulfill the comparable group requirements, the geographic location parameter has nevertheless eliminated regions of the United States distant to Seneca Falls, including the western and southwestern states.

The geographic location parameter consists of New England, Mid-Atlantic, Midwest and Southeast states. To extend the geographic parameter beyond those states could result in the selection of similar thrift institutions with regard to financial conditions and operating characteristics, but with different pricing ratios due to their geographic regions. The result could then be an unrepresentative comparable group with regard to price relative to the parameters and, therefore, an inaccurate value.

Asset Size

Asset size was another key parameter used in the selection of the comparable group. The range of total assets for any potential comparable group institution was \$750 million or less, due to the general similarity of asset mix and operating strategies of institutions within this asset range, compared to Polonia, with assets of approximately \$172.4 million. Such an asset size parameter was necessary to obtain an appropriate comparable group of at least ten institutions.

In connection with asset size, we did not consider the number of offices or branches in selecting or eliminating candidates, since that characteristic is directly related to operating expenses, which are recognized as an operating performance parameter.

SUMMARY

Exhibits 38 and 39 show the 47 institutions considered as comparable group candidates after applying the general parameters, with the shaded lines denoting the institutions ultimately selected for the comparable group using the balance sheet, performance and asset quality parameters established in this section. It should be noted that the comparable group candidates may be members of either the Bank Insurance Fund (BIF) or the Savings Association Insurance Fund (SAIF), since many members of each fund hold significant balances of deposits insured by the other fund.

BALANCE SHEET PARAMETERS

Introduction

The balance sheet parameters focused on seven balance sheet ratios as determinants for selecting a comparable group, as presented in Exhibit 38. The balance sheet ratios consist of the following:

1. Cash and investments to assets
2. Mortgage-backed securities to assets
3. One- to four-family loans to assets
4. Total net loans to assets
5. Total net loans and mortgage-backed securities to assets
6. Borrowed funds to assets
7. Equity to assets

The parameters enable the identification and elimination of thrift institutions that are distinctly and functionally different from Polonia with regard to asset mix. The balance sheet parameters also distinguish institutions with a significantly different capital position from Polonia. The ratio of deposits to assets was not used as a parameter as it is directly related to and affected by an institution's equity and borrowed funds ratios, which are separate parameters.

Cash and Investments to Assets

The Bank's ratio of cash and investments to assets was 13.2 percent at March 31, 2006, and reflects Polonia's share of investments generally in line with national and regional averages, although moderately lower than the average for Pennsylvania thrifts. The Bank's investments have consisted primarily of federal agency securities, equity and corporate securities and deposits in other financial institutions. For its most recent four calendar years, Polonia's average ratio of cash and investments to assets was a higher 23.8 percent, from a high of 31.2 percent in 2002 to a low of 14.3 percent in 2005, with a declining trend. It should be noted that, for the purposes of comparable group selection, Polonia's \$1.2 million balance of Federal Home Loan Bank stock at March 31, 2006, is included in the other assets category, rather than in cash and investments, in order to be consistent with reporting requirements and sources of statistical and comparative analysis related to the universe of comparable group candidates and the final comparable group.

The parameter range for cash and investments is fairly broad, in spite of Polonia's current average balance of cash and investments, related to the general volatility of this parameter and institutions' varying liquidity options and approaches, including the purchase of mortgage-backed and mortgage derivative securities. The range has been defined as 25.0 or less of assets, with a midpoint of 12.5 percent.

Mortgage-Backed Securities to Assets

At March 31, 2006, Polonia's ratio of mortgage-backed securities to assets was a higher 22.0 percent compared to the regional average of 15.4 percent and the national average of 9.6 percent for publicly-traded thrifts. The Bank's four most recent calendar year average is 13.9 percent, more in line with industry averages, with Polonia's share of investments increasing from 8.9 percent to 21.4 percent of total assets from 2004 to 2005.

Mortgage-Backed Securities to Assets (cont.)

Inasmuch as many institutions purchase mortgage-backed securities as an alternative to both lending, relative to cyclical loan demand and prevailing interest rates, and other investment vehicles, this parameter is also fairly broad at 30.0 percent or less of assets and a midpoint of 15.0 percent.

One- to Four-Family Loans to Assets

Polonia's lending activity is focused on the origination of residential mortgage loans secured by one- to four-family dwellings. One- to four-family loans, including construction loans, represented 51.8 percent of the Bank's assets at March 31, 2006, which is modestly higher than the national average of 46.9 percent. The parameter for this characteristic requires any comparable group institution to have from 25.0 percent to 75.0 percent of its assets in one- to four-family loans with a midpoint of 50.0 percent.

Total Net Loans to Assets

At March 31, 2006, Polonia had a 56.5 percent ratio of total net loans to assets and a lower four calendar year average of 52.7 percent, both being lower than the national average of 71.4 percent and the regional average of 63.8 percent for publicly-traded thrifts. The Bank's ratio of total net loans to assets has demonstrated a generally flat trend during the last four calendar years and at March 31, 2006.

The parameter for the selection of the comparable group is from 40.0 percent to 90.0 percent with a midpoint of 65.0 percent. The wider range is due to the fact that, as the referenced national and regional averages indicate, many institutions hold a greater volume of investment securities and/or mortgage-backed securities as cyclical alternatives to lending, but may otherwise be similar to Polonia.

Total Net Loans and Mortgage-Backed Securities to Assets

As discussed previously, Polonia's shares of mortgage-backed securities to assets and total net loans to assets were 22.0 percent and 56.5 percent, respectively, for a combined share of 78.5 percent. Recognizing the industry and regional ratios of 9.6 percent and 15.4 percent, respectively, of mortgage-backed securities to assets, the parameter range for the comparable group in this category is 60.0 percent to 90.0 percent, with a midpoint of 75.0 percent.

Borrowed Funds to Assets

Polonia had a \$17.4 million balance of borrowed funds at March 31, 2006, consisting of FHLB advances, representing 10.1 percent of assets. At December 31, 2005, the Bank's borrowed funds were \$16.9 million or a similar 9.7 percent of assets, which is lower than its borrowed funds of \$26.6 million or 15.1 percent of assets at December 31, 2004.

The use of borrowed funds by some banks indicates an alternative to retail deposits and may provide a source of longer term funds. The federal insurance premium on deposits has also increased the attractiveness of borrowed funds. The institutional demand for borrowed funds had increased, due to the greater competition for deposits and higher interest rates, resulting in an increase in borrowed funds by many banks as an alternative to higher cost and/or longer term certificates. Rising interest rates resulted in some moderation of borrowings in the banking industry, particularly among nonpublicly-traded banks. The ratio of borrowed funds to assets, therefore, does not typically indicate higher risk or more aggressive lending, but primarily an alternative to retail deposits.

The range of borrowed funds to assets is 25.0 percent or less with a midpoint of 12.5 percent.

Equity to Assets

Polonia's equity to assets ratio was 6.7 percent at March 31, 2006, 6.9 percent at December 31, 2005 and a lower 7.4 percent at December 31, 2004. After conversion, based on the midpoint value of \$22.0 million and a public offering of \$9.9 million, with approximately 79.0 percent of the net proceeds of the public offering going to the Bank, Polonia's equity is projected to stabilize in the area of 10.0 percent of assets. Based on that equity ratio, we have defined the equity ratio parameter to be 5.0 percent to 14.0 percent with a midpoint ratio of 9.5 percent.

PERFORMANCE PARAMETERS

Introduction

Exhibit 39 presents five parameters identified as key indicators of Polonia's earnings performance and the basis for such performance both historically and during the four quarters ended March 31, 2006. The primary performance indicator is the Bank's return on average assets (ROAA). The second performance indicator is the Bank's return on average equity (ROAE). To measure the Bank's ability to generate net interest income, we have used net interest margin. The supplemental source of income for the Bank is noninterest income, and the parameter used to measure this factor is the ratio of noninterest income to average assets. The final performance indicator is the Bank's ratio of operating expenses or noninterest expenses to average assets, a key factor in distinguishing different types of operations, particularly institutions that are aggressive in secondary market activities, which often results in much higher operating costs and overhead ratios.

Return on Average Assets

The key performance parameter is the ROAA. For the twelve months ended March 31, 2006, Polonia's ROAA was a negative (0.04) percent based negative core earnings after taxes of (\$62,000) and its net ROAA was a negative (0.51) percent based on a net loss of (\$894,000), as detailed in Item I of this Report. The Bank's ROAA over its most recent four calendar years, based on net earnings, was (0.38) percent in 2005, 0.36 percent in 2004, 0.28 percent in 2003 and (0.26) percent in 2002.

Considering the historical and current earnings performance of Polonia, the range for the ROAA parameter based on core income has been defined as 0.75 percent or less with a midpoint of 0.38 percent.

Return on Average Equity

The ROAE has been used as a secondary parameter to eliminate any institutions with an unusually high or low ROAE that is inconsistent with the Bank's position. This parameter does not provide as much meaning for a recently converted thrift institution as it does for established stock institutions, due to the unseasoned nature of the capital structure of the recently converted thrift and the inability to accurately reflect a mature ROAE for the recently converted thrift relative to other stock institutions.

Prior to the minority stock offering, the Bank's ROAE for the twelve months ended March 31, 2006, was a negative (7.23) percent based on net income and a negative (0.50) based on core income. The parameter range for the comparable group, based on core income, is 12.0 percent or less with a midpoint of 6.0 percent.

Net Interest Margin

Polonia had a net interest margin of 2.80 percent for the twelve months ended March 31, 2006, representing net interest income as a percentage of average interest-earning assets. The Bank's net interest margin in calendar years 2005 and 2004 was 3.04 percent and 2.94 percent, respectively, with a four calendar year average of 2.68 percent.

The parameter range for the selection of the comparable group is from a low of 2.25 percent to a high of 3.50 percent with a midpoint of 2.88 percent.

Operating Expenses to Assets

For the twelve months ended March 31, 2006, Polonia had a 3.23 percent ratio of operating expense to average assets. In calendar years 2005 and 2004, the Bank's expense ratio was a lower 3.17 percent and 2.82 percent, respectively. For its four most recent calendar years ended December 31, 2005, Polonia's operating expense ratio averaged 2.87 percent and indicates a mild upward trend. The Bank's current operating expense ratio remains higher than the averages of 1.55 percent for publicly traded Mid-Atlantic savings institutions and 2.09 percent for all publicly-traded savings institutions. For all FDIC-insured thrift institutions, the ratio of noninterest expense to average assets was a higher 2.32 percent for the twelve months ended March 31, 2006.

The operating expense to assets parameter for the selection of the comparable group is from a low of 2.25 percent to a high of 4.00 percent with a midpoint of 3.13 percent.

Noninterest Income to Assets

Compared to publicly-traded thrifts, Polonia has historically experienced a considerably higher than average dependence on noninterest income as a source of additional income. The

Noninterest Income to Assets (cont.)

Bank's noninterest income was a negative \$(147,000), which was driven by losses on the sale of investment securities, or (0.08) percent of assets for the twelve months ended March 31, 2006, compared to the which is higher than the 1.18 percent average for publicly-traded thrift institutions during that period.

The range for this parameter for the selection of the comparable group is 1.25 percent of average assets or less, with a midpoint of 0.63 percent.

ASSET QUALITY PARAMETERS

Introduction

The final set of financial parameters used in the selection of the comparable group are asset quality parameters, also shown in Exhibit 39. The purpose of these parameters is to insure that any thrift institution in the comparable group has an asset quality position similar to that of Polonia. The three defined asset quality parameters are the ratios of nonperforming assets to total assets, repossessed assets to total assets and loan loss reserves to total assets at the end of the most recent period.

Nonperforming Assets to Assets

Polonia's ratio of nonperforming assets to assets was 0.21 percent at March 31, 2006, which was lower than the national average of 0.71 percent for publicly-traded thrifts, similar to the Mid-Atlantic regional average of 0.24 percent lower than the Bank's 0.42 percent ratio at December 31, 2005. For its four most recent calendar years ended December 31, 2005, the Bank's ratio of nonperforming assets to total assets averaged 0.62 percent, ranging from a low of 0.42 percent in 2005 to a high of 0.79 percent in 2002 with a consistently declining trend.

Nonperforming Assets to Assets (cont.)

The parameter range for nonperforming assets to assets has been defined as 1.00 percent of assets or less with a midpoint of 0.50 percent.

Reposessed Assets to Assets

Polonia had no reposessed assets at March 31, 2006, but had \$428,000 of reposessed assets at December 31, 2005, representing 0.25 percent of total assets. For its four most recent calendar years, the Bank's ratio of reposessed assets to total assets averaged 0.39 percent with a declining trend since 2002. National and regional averages were 0.11 percent and 0.02 percent, respectively, for publicly-traded thrift institutions at March 31, 2006.

The range for the reposessed assets to total assets parameter is 0.20 percent of assets or less with a midpoint of 0.10 percent.

Loans Loss Reserves to Assets

Polonia had an allowance for loan losses of \$652,000, representing a loan loss allowance to total assets ratio of 0.38 percent at March 31, 2006, which is identical to its ratio at December 31, 2005, virtually identical to its 0.39 percent ratio at December 31, 2004. For the four calendar years of 2002 through 2005, the Bank's loan loss reserve averaged 0.30 percent of assets.

The loan loss allowance to assets parameter range used for the selection of the comparable group required a minimum ratio of 0.20 percent of assets.

THE COMPARABLE GROUP

With the application of the parameters previously identified and applied, the final comparable group represents ten institutions identified in Exhibits 40, 41 and 42. The comparable group institutions range in size from \$150.6 million to \$600.7 million with an average asset size of \$360.3 million and have an average of 8.0 offices per institution. One of the comparable group institutions was converted in 1985, one in 1986, one in 1993, one in 1994, two in 1996, two in 1999, one in 2001 and one in 2003. All ten of the comparable group institutions are traded on NASDAQ and all are SAIF members. The comparable group institutions as a unit have a ratio of equity to assets of 9.36 percent, which is 10.0 percent higher than all publicly-traded thrift institutions in the United States and 6.2 percent higher than publicly-traded thrift institutions in Pennsylvania, and for the most recent four quarters indicated a core return on average assets of 0.39 percent, lower than all publicly-traded thrifts at 1.02 percent and lower than publicly-traded Pennsylvania thrifts at 0.61 percent.

IV. ANALYSIS OF FINANCIAL PERFORMANCE

This section reviews and compares the financial performance of Polonia to all publicly-traded thrifts, to publicly-traded thrifts in the Mid-Atlantic region and to Pennsylvania thrifts, as well as to the ten institutions constituting Polonia's comparable group, as selected and described in the previous section. The comparative analysis focuses on financial condition, earning performance and pertinent ratios as presented in Exhibits 43 through 48.

As presented in Exhibits 43 and 44, at March 31, 2006, Polonia's total equity of 6.72 percent of assets was lower than the 9.36 percent for the comparable group, the 10.01 percent for all thrifts, the 10.58 percent for Mid-Atlantic thrifts and the 8.81 percent ratio for the 14 Pennsylvania thrifts. The Bank had a 56.52 percent share of net loans in its asset mix, moderately lower than the comparable group at 67.39 percent, and more notably lower than all thrifts at 71.39 percent and Mid-Atlantic thrifts at 63.84 percent, but slightly higher than Pennsylvania thrifts at 54.10 percent. Polonia's share of net loans, lower than industry averages, is primarily the result of its larger 22.02 percent share of mortgage-backed securities. The comparable group had a moderately higher 15.39 percent share of cash and investments compared to the Bank at 13.24 percent, and a lower 11.02 percent share of mortgage-backed securities. All thrifts had 9.63 percent of assets in mortgage-backed securities and 13.74 percent in cash and investments. Polonia's 81.67 percent share of deposits was higher than the comparable group and Pennsylvania thrifts, and also higher than all thrifts and Mid-Atlantic thrifts, reflecting the Bank's lower than average 10.06 percent ratio of borrowed funds to assets and lower equity to assets ratio of 6.72 percent. The comparable group had deposits of 70.48 percent and borrowings of 19.29 percent. All thrifts averaged a 56.52 percent share of deposits and 32.81 percent of borrowed funds, while Mid-Atlantic thrifts had a 56.38 percent share of deposits and a 31.23 percent share of borrowed funds. Pennsylvania thrifts averaged a 59.86 percent share of deposits and a 29.50 percent share of borrowed funds. Polonia was absent intangible assets at March 31, 2006, compared to 0.62 percent for the comparable group, 0.78 percent for all thrifts, 1.34 percent for Mid-Atlantic thrifts and 1.33 percent for Pennsylvania thrifts.

Analysis of Financial Performance (cont.)

Operating performance indicators are summarized in Exhibits 45 and 46 and provide a synopsis of key sources of income and key expense items for Polonia in comparison to the comparable group, all thrifts, and regional thrifts for the trailing four quarters.

As shown in Exhibit 47, for the twelve months ended March 31, 2006, Polonia had a yield on average interest-earning assets lower than the comparable group, all thrifts, Mid-Atlantic thrifts and Pennsylvania thrifts. The Bank's yield on interest-earning assets was 4.99 percent compared to the comparable group at 5.70 percent, all thrifts at 5.72 percent, Mid-Atlantic thrifts at 5.50 percent and Pennsylvania thrifts at 5.24 percent.

The Bank's cost of funds for the twelve months ended March 31, 2006, was lower than the comparable group, all thrifts, Mid-Atlantic thrifts, and Pennsylvania thrifts. Polonia had an average cost of interest-bearing liabilities of 2.30 percent compared to 2.74 percent for the comparable group, 2.72 percent for all thrifts, 2.63 percent for Mid-Atlantic thrifts and 2.90 percent for Pennsylvania thrifts. The Bank's lower yield on interest-earning assets and lower interest cost resulted in a net interest spread of 2.69 percent, which was lower than the comparable group at 2.96 percent, all thrifts at 3.00 percent and Mid-Atlantic thrifts at 2.87 percent, but higher than Pennsylvania thrifts at 2.34 percent. Polonia generated a net interest margin of 2.80 percent for the twelve months ended March 31, 2006, based on its ratio of net interest income to average interest-earning assets, which was moderately lower than the comparable group ratio of 3.14 percent. All thrifts averaged a higher 3.22 percent net interest margin for the trailing four quarters, with Mid-Atlantic thrifts at 3.05 percent and Pennsylvania thrifts at a lower 2.54 percent.

Polonia's major source of earnings is interest income, as indicated by the operations ratios presented in Exhibit 46. The Bank took no provision for loan losses during the twelve months ended March 31, 2006. The comparable group indicated a provision representing 0.33 percent of assets, with all thrifts at 0.08 percent, Mid-Atlantic thrifts at 0.06 percent and Pennsylvania thrifts with a credit of 0.14 percent.

Analysis of Financial Performance (cont.)

Net of \$993,000 of losses on the sale of investment securities, the Bank's noninterest income was \$846,000 or 0.49 percent of average assets for the twelve months ended March 31, 2006. The incorporation of those losses, however, reduces the Bank's total noninterest income to a negative \$(147,000) or (0.08) percent of average assets for the twelve months ended March 31, 2006. The comparable group had a 0.67 percent ratio noninterest income to average assets, which was lower than all thrifts at 1.18 percent, similar to Mid-Atlantic thrifts at 0.62 percent and lower than Pennsylvania thrifts at 0.89 percent. For the twelve months ended March 31, 2006, Polonia's operating expense ratio was 3.23 percent of average assets, which was higher than the comparable group at 2.77 percent and higher than all thrifts at 2.09 percent, Mid-Atlantic thrifts at 1.55 percent and Pennsylvania thrifts at 1.98 percent.

The overall impact of Polonia's income and expense ratios is reflected in the Bank's net loss and negative return on assets. For the twelve months ended March 31, 2006, the Bank had a negative net ROAA of (0.51) percent and a negative core ROAA of (0.05) percent, reflecting net and core losses of \$(894,000) and \$(62,000), respectively, as indicated in Section I and Exhibit 9 of this report. For its most recent four quarters, the comparable group had a net ROAA of 0.43 percent and a modestly lower core ROAA of 0.39 percent. All publicly-traded thrifts averaged a higher 1.02 percent core ROAA, with Mid-Atlantic thrifts at 1.04 percent and Pennsylvania thrifts at 0.61 percent.

V. MARKET VALUE ADJUSTMENTS

This is a conclusive section where adjustments are made to determine the pro forma market value or appraised value of the Corporation based on a comparison of Polonia with the comparable group. These adjustments will take into consideration such key items as earnings performance and growth potential, market area, financial condition, asset and deposit growth, dividend payments, subscription interest, liquidity of the stock to be issued, management, and market conditions or marketing of the issue. It must be noted, however, that all of the institutions in the comparable group have their differences among themselves and from the Bank, and as a result, such adjustments become necessary.

EARNINGS PERFORMANCE

In analyzing earnings performance, consideration was given to net interest income, the amount and volatility of interest income and interest expense relative to changes in market area conditions and to changes in overall interest rates, the quality of assets as it relates to the presence of problem assets which may result in adjustments to earnings, the amounts and ratios of current and historical classified assets and real estate owned, the balance of valuation allowances to support any problem assets or nonperforming assets, the amount and volatility of non-interest income, and the level of non-interest expenses.

As discussed earlier, the Bank's historical business model has focused on increasing its noninterest income; maintaining a reasonable net interest margin; maintaining a lower ratio of nonperforming assets; monitoring and strengthening its ratio of interest sensitive assets relative to interest sensitive liabilities, thereby improving its sensitivity measure and its overall interest rate risk; maintaining adequate allowances for loan losses to reduce the impact of any unforeseen charge-offs, and striving to control its overhead expenses and improve its efficiency ratio. In the future, following its minority offering, it will be the objective of the Bank to increase its net interest spread and margin, increase its non-interest income, increase the

Earnings Performance (cont.)

amount and consistency of its net income, increase its return on assets and return on equity, and work toward reducing its overhead expenses.

Earnings are generally related to an institution's ability to generate loans and/or to increase its loan portfolio through loan purchases and participations at favorable rates. The Bank was an active originator of mortgage loans and a modest originator of non-mortgage loans in 2004 and 2005 and during the first quarter of 2006, although its overall increase in loans receivable was very modest.

From December 31, 2004, to March 31, 2006, total loans receivable increased by a modest \$850,000 or an annualized increase of 1.6 percent from \$97.4 million to \$98.3 million. During that period, the only loan category indicating growth was one- to four-family residential real estate loans, which increased by \$1.7 million. All other categories indicated modest to moderate shrinkage during that five-quarter period, commercial real estate loans decreasing by \$126,000 and nonmortgage loans decreasing by \$708,000.

The impact of Polonia's lending efforts has been to generate a yield on average interest-earning assets of 4.99 percent for the twelve months ended March 31, 2006, compared to a higher 5.70 percent for the comparable group, 5.72 percent for all thrifts and 5.50 percent for Mid-Atlantic thrifts. The Bank's ratio of interest income to average assets was 4.79 percent for the twelve months ended March 31, 2006, which was lower than the comparable group at 5.37 percent, all thrifts at 5.26 percent and Mid-Atlantic thrifts at 4.94 percent.

Polonia's 2.30 percent cost of interest-bearing liabilities for the twelve months ended March 31, 2006, was lower than the comparable group at 2.74 percent, all thrifts at 2.72 percent, Mid-Atlantic thrifts at 2.63 percent and Pennsylvania thrifts at 2.90 percent. The Bank's resulting net interest spread of 2.69 percent for the twelve months ended March 31, 2006, was lower than the comparable group at 2.96 percent, all thrifts at 3.00 percent and Mid-Atlantic thrifts at 2.87 percent, but higher than Pennsylvania thrifts at 2.90 percent. The Bank's net

Earnings Performance (cont.)

interest margin of 2.80 percent, based on average interest-earning assets for the twelve months ended March 31, 2006, was lower than the comparable group at 3.14 percent, all thrifts at 3.22 percent and Mid-Atlantic thrifts at 3.05 percent.

The Bank's ratio of noninterest income to assets was (0.08) percent for the twelve months ended March 31, 2006, which incorporates \$(993,000) of losses on the sale of securities equal to (0.57) percent of average assets. The comparable group's ratio of noninterest income to assets was 0.67 percent, with Mid-Atlantic thrifts at 0.62 percent and all thrifts at 1.18 percent. The Bank's operating expenses were moderately higher than the comparable group and significantly higher than all thrifts, Mid-Atlantic thrifts and Pennsylvania thrifts. For the twelve months ended March 31, 2006, Polonia had an operating expenses to assets ratio of 3.23 percent compared to 2.77 percent for the comparable group, 2.09 percent for all thrifts, 1.55 percent for Mid-Atlantic thrifts and 1.98 percent for Pennsylvania thrifts.

For the twelve months ended March 31, 2006, Polonia generated lower noninterest income, higher noninterest expenses and a lower net interest margin relative to its comparable group. As a result, the Bank had negative net and core earnings for the twelve months ended March 31, 2006, resulting in a negative core ROAA of (0.04) percent and a negative net ROAA of (0.51) percent. Based on net earnings, the Bank had a negative return on average assets of (0.38) percent in calendar 2005, following positive ROAA of 0.36 percent in 2004 and 0.28 percent in 2003. For the twelve months ended March 31, 2006, the comparable group had a higher core ROAA of 0.39 percent, while all thrifts indicated a higher 1.02 percent. The comparable group had a net ROAA of 0.43 percent for the twelve months ended March 31, 2006, with all thrifts at 1.03 percent and Mid-Atlantic thrifts at 1.02 percent.

The earnings stream and net earnings of Polonia will continue to be dependent on the overall trends in interest rates and its net interest margin, as well as the consistency, reliability and variation of its noninterest income and overhead expenses. Net of gains and losses, Polonia's noninterest income indicated relatively mild fluctuation from calendar 2003 to 2005

Earnings Performance (cont.)

and for the twelve months ended March 31, 2006, averaging 0.48 percent, which was nevertheless significantly lower than the comparable group at 0.67 percent for the twelve months ended March 31, 2006. Although considerably higher than industry averages, the Bank's overhead expenses indicated a very mildly decreasing trend from 2002 to 2004, before increasing in 2005 and for the twelve months ended March 31, 2006. The Bank's net interest margin, lower than the comparable group, has been the result of its lower yield on assets, partially offset by its generally lower cost of funds. Polonia's cost of interest-bearing liabilities is likely to experience modest increases during the next few years, as short term rates continue to increase from their record lows in 2003 and 2004. Continued upward pressure on lending rates is also anticipated. Polonia's composite yield on interest-earning assets is likely to increase modestly to moderately, based on the mix and repricing interval of the Bank's loan portfolio, although the predominance of fixed-rate loans will limit the potential for increase. Investments should also experience a modestly higher yield. It is also likely, however, that competition from both financial institutions and mortgage companies will limit the Bank's ability to significantly increase rates on individual mortgage and non-mortgage loan products. Polonia's success in achieving its objective to increase its overall net interest spread and net interest margin will relate to its ability to increase the volume of its lower cost savings and checking accounts and higher yielding consumer loans, rather than by significant rate changes on its loan and savings products. During the next few years, a possible modest to moderate increase in the Bank's net interest spread and net interest margin will be dependent on Polonia's marketing and cross-selling capability, as well as the demographic and economic characteristics and trends in its market area.

It is also recognized that Polonia's current negative ROAA, compared to the lower than average but positive ROAA of its comparable group, was also negative for the calendar years 2002 and 2005, and was a positive but considerably lower than average 0.28 percent and 0.36 percent in 2003 and 2004, respectively. Although Polonia's net interest margin and net interest spread both increased considerably since 2002, both metrics remain lower than comparable group, national and regional averages. Immediately following conversion, it is anticipated that

Earnings Performance (cont.)

the Bank's higher equity to assets ratio will result in limited growth in ROAE until conversion proceeds can be deployed into higher yielding loans. As indicated in the Bank's business plan, during the next three years the Bank's ROAA and ROAE are projected to increase modestly but steadily to ratios that remain lower than comparable group, regional and national averages.

In recognition of the foregoing earnings related factors, with consideration of both Polonia's current and projected performance measures, a significant downward adjustment has been made to Polonia's pro forma market value for earnings performance.

MARKET AREA

As previously indicated in Section II, the Bank's primary market area encompasses Philadelphia, Montgomery and Bucks Counties in Pennsylvania. Four of Polonia's five offices are in Philadelphia County and are the source of approximately 88 percent of the Bank's deposits. The Bank's home office is in Montgomery County, which accounts for the remaining 12 percent of deposits. Based on those office locations and deposit sources, Polonia has experienced deposit shrinkage of \$14.2 million or 9.1 percent since December 31, 2001, representing an annualized decrease of 2.1 percent.

Since 1990, Philadelphia County has experienced a population decrease, compared to increases in Montgomery County, Bucks County, Pennsylvania and the United States. Per capita income and median household income in Philadelphia County have been and remain lower than in Montgomery County, Bucks County, Pennsylvania and the United States. The median housing value in Philadelphia County is also significantly lower than Montgomery County, Bucks County, state and national averages.

The historical and current unemployment rates in Philadelphia County have been higher than in Pennsylvania and the United States, while Montgomery and Bucks Counties'

Market Area (cont.)

unemployment rates have been lower than state and national rates. The unemployment rates in Philadelphia, Montgomery and Bucks Counties through April, 2006, were 5.9 percent, 3.4 percent and 3.6 percent, respectively, compared to 4.4 percent in Pennsylvania and 4.5 percent in the United States.

In Polonia's market area, the services sector represents the primary source of employment, followed by the wholesale/retail and manufacturing sectors. The level of financial competition Polonia's market area was strong at June 30, 2005, the most recent reporting date, with commercial banks holding a strong majority of deposits. The Bank had a very modest penetration of thrift deposits and a slight penetration of bank deposits in Philadelphia and Montgomery Counties. Polonia experienced net decreases in deposits in three of its five most recent fiscal years and, as discussed above, an overall net deposit decrease since 2001 . It should be noted that from June 30, 2001, to June 30, 2005, Polonia's deposits in Philadelphia County decreased from \$137.9 million or a 0.54 percent market share to \$115.5 million or a 0.33 percent market share. During that 4 year period, however, total deposits in Philadelphia County increased by approximately \$10 billion and the number of banking offices in the county increased from 317 at June 30, 2001, to 336 at June 30, 2005.

In recognition of the foregoing factors, including deposit potential in a stagnant market, we believe that a downward adjustment is warranted for the Bank's current market area, of which Philadelphia County is the primary component.

FINANCIAL CONDITION

The financial condition of Polonia is discussed in Section I and shown in the related exhibits and is compared to the comparable group in Exhibits 42, 43 and 44. The Bank's ratio of total equity to total assets was 6.72 percent at March 31, 2006, which was moderately lower than the comparable group at 9.36 percent, all thrifts at 10.01 percent and Mid-Atlantic thrifts at 10.58 percent. With a conversion at the midpoint, the Corporation's consolidated pro forma equity to assets ratio will increase to approximately 10.7 percent. The Bank's pro forma equity to assets ratio will increase to approximately 9.6 percent and its tangible capital ratio will be 10.0 percent following a midpoint conversion, based on the Bank receiving approximately 79 percent of the net conversion proceeds.

The Bank's mix of assets and liabilities indicates some areas of notable variation from its comparable group. The Bank's 81.74 percent ratio of deposits to total assets was higher than the comparable group at 70.48 percent, and significantly higher than all thrifts at 56.52 percent and Mid-Atlantic thrifts at 56.38 percent. Those variations are directly related to Polonia's 10.06 percent ratio of borrowed funds to assets, which was lower than the comparable group at 19.29 percent and Mid-Atlantic thrifts at 31.23 percent, and lower than all thrifts at 32.81 percent.

Polonia had a lower 56.52 percent ratio of net loans to total assets at March 31, 2006, compared to the comparable group at 67.39, all thrifts at 71.39 percent and Mid-Atlantic thrifts at 63.98 percent. The Bank's 13.24 percent share of cash and investments was similar to the the comparable group at 15.39 percent, all thrifts at 13.74 percent and Mid-Atlantic thrifts at 15.34 percent; but Polonia's 22.02 percent ratio of mortgage-backed securities to total assets was significantly higher than the comparable group at 11.02 percent, all thrifts at 9.63 percent and Mid-Atlantic thrifts at 15.35 percent. The Bank's larger combined share of cash and investments and mortgage-backed securities, resulting in its smaller share of loans, is part of the basis of its lower yield on interest-earning assets.

Financial Condition (cont.)

Polonia had no intangible assets compared to 0.62 percent for the comparable group and a higher 0.78 percent for all thrifts and 1.34 percent for Mid-Atlantic thrifts. The Bank was absent repossessed assets at March 31, 2006, but had repossessed assets at the close of its four most recent calendar years. At December 31, 2005, 2004, 2003 and 2002, repossessed assets represented 0.25 percent, 0.39 percent, 0.39 percent and 0.54 percent, respectively, of Polonia's total assets. At March 31, 2006, the comparable group had a 0.04 percent ratio of repossessed assets to total assets, while all thrifts and Mid-Atlantic thrifts had ratios of 0.11 percent and 0.02 percent, respectively.

The financial condition of Polonia is strengthened by its lower 0.21 percent ratio of nonperforming assets to total assets at March 31, 2006, compared to a higher 0.56 percent ratio for the comparable group, a higher 0.71 percent for all thrifts and a similar 0.24 percent for Mid-Atlantic thrifts. It should be recognized that the Bank's ratio of nonperforming assets to total assets averaged a higher 0.62 percent for its four most recent calendar years, with a decreasing trend.

The Bank had a low 2.02 percent ratio of high risk real estate loans to assets compared to 23.01 percent for the comparable group, 24.75 percent for all thrifts and 21.12 for Mid-Atlantic thrifts. The regulatory definition of high risk real estate loans is all mortgage loans other than those secured by one- to four-family residential properties.

At March 31, 2006, Polonia had \$652,000 of allowance for loan losses, which represented 0.38 percent of assets and 0.66 percent of total loans. Those ratios are lower than the comparable group, which indicated allowances equal to 0.78 percent of assets and 1.14 percent of total loans. More significant, however, is an institution's ratio of allowance for loan losses to nonperforming assets, since a considerable portion of nonperforming assets might eventually be charged off. Polonia's \$652,000 of allowance for loan losses, represented a lower 182.63 percent of nonperforming assets at March 31, 2006, compared to the comparable group's 478.77 percent. It should be noted, however, that one comparable group institution had

Financial Condition (cont.)

an anomalously high ratio, without which the remaining nine comparable group institutions average a lower 148.63 percent ratio, lower than that of the Bank. All thrifts and Mid-Atlantic thrifts had ratios of 207.60 percent and 295.29 percent, respectively. Polonia's ratio of net charge-offs to average total loans was 0.04 percent for the twelve months ended March 31, 2006, compared to ratios of 0.31 percent for the comparable group, 0.12 percent for all thrifts and 0.05 percent for Mid-Atlantic thrifts.

Historically and in recent periods, Polonia has experienced moderate levels of interest rate risk, as reflected by the exposure of its net portfolio value to negative changes under conditions of rising interest rates. Such interest rate risk levels are related in part to the Bank's absence of adjustable-rate loans and decreasing share of cash and shorter term investments.

Overall, with particular consideration to the Bank's equity ratio, asset quality, reserves, coverage, interest rate risk and shares of loans and deposits relative to the comparable group, we believe that no adjustment is warranted for Polonia's current financial condition.

ASSET, LOAN, DEPOSIT AND EARNINGS GROWTH

During its most recent four calendar years, Polonia has been characterized by considerably lower rates of growth in assets and deposits and a similar rate of loan growth relative to the comparable group. Further compared to national and regional averages, the Bank is even more significantly lower in all three balance sheet categories. The Bank's average annual asset growth rate from 2001 to 2005 was a negative (2.30) percent, compared to a positive 5.5 percent average annual growth rate for the comparable group, 10.9 percent for all thrifts and 12.2 percent for Mid-Atlantic thrifts. Polonia's lower asset growth rate is reflective primarily of its deposit shrinkage and lower balance of borrowings during that five year period. The Bank's loan portfolio indicates an average annual increase of 4.7 percent from 2001 to

Asset, Loan, Deposit and Earnings Growth (cont.)

2005, compared to a similar average growth rate of 4.6 percent for the comparable group, but much higher growth rates of 11.4 percent for all thrifts and 12.1 percent for Mid-Atlantic thrifts.

Polonia's deposits indicate an average annual decrease of (0.9) percent from 2001 to 2005, representing a dollar decrease of \$12.8 million during those five years, with an additional decrease of \$1.4 million or (1.0) percent during the first quarter of 2006. Annual deposit changes ranged from a moderate increase of 6.7 percent in 2005 to a decrease of (4.8) percent in 2004, compared to five year average growth rates of 5.8 percent for the comparable group, 11.4 percent for all thrifts and 10.8 percent for Mid-Atlantic thrifts. Concurrent with its deposit shrinkage, Polonia also experienced a similar \$11.5 million decrease in borrowed funds from 2001 to 2005. Such decrease in borrowings and deposit runoff were the combined basis for the Bank's \$24.8 million decrease in assets during those five years. At March 31, 2006, Polonia's 10.1 percent ratio of borrowed funds to assets was lower than the comparable group at 19.3 percent.

The Bank's ability to increase its asset base and deposits in the future is, to a great extent, dependent on its being able to competitively price its loan and savings products, to maintain a high quality of service to its customers, to increase its market share and to increase its loan origination activity. Philadelphia County, the location of four of Polonia's five offices, experienced a declining trend in population and households between 1990 and 2000 and between 2000 and 2005, compared to modest state increases and moderate national increases during those periods. A minimal increase in population and a small decrease in households are projected through 2010. In both 2000 and 2005, Philadelphia County also indicated markedly lower per capita income and median household income relative to Pennsylvania and the United States. In 1990 and 2000, housing values in Philadelphia County market area were also significantly lower than in Pennsylvania and the United States.

Asset, Loan, Deposit and Earnings Growth (cont.)

The Bank's historical dependence on Philadelphia County, the location of four of its five offices and the source of approximately 88 percent of its deposits, could result in lower asset growth in the future as a result of its competitive operating environment, recognizing the limited growth in population and households projected for the future in the primary market area. It should be noted that the Bank's deposit market shares at June 30, 2005, were 0.33 percent in Philadelphia County and 0.09 percent in Montgomery County.

The strategies indicated in Polonia's business plan include the opening of two de novo branches during the next three years, to be located in Montgomery and/or Bucks Counties, which have more favorable demographics than Philadelphia County. Overall, the Bank's short to medium term focus is on growth and product diversification at the expense of improved operating performance. Although assets, loans and deposits are projected to experience growth of between 15 percent and 20 percent in each of the three years following conversion, Polonia's net interest margin and ROAA are projected to increase very modestly to ratios remaining lower than the comparable group. Additionally, noninterest income is projected to remain lower and noninterest expense is projected to remain higher than the comparable group through the first quarter of 2010, with the Bank's corresponding efficiency ratio being less favorable than comparable group, regional and national averages during that period.

Execution of an aggressive growth strategy, although well considered, beginning from Polonia's current financial condition and earnings performance positions entails risk that is recognized and calculated by the Bank. Such a strategy can be inhibited by both internal and external factors, including management, staffing, branch site selection, interest rate trends, changing demographics and overall economic conditions. At best, however, even robust growth in the absence of concurrent earnings performance improvement during the three year horizon being considered does not, in our opinion, significantly enhance current value. Although such growth might eventually contribute to improved performance beyond that horizon, to recognize and apply such improvement to current value, considering the time issue and the associated risk, would be speculative in the context of Polonia's historical and current condition and operations.

Asset, Loan, Deposit and Earnings Growth (cont.)

Based on the foregoing factors, we have concluded that a small downward adjustment to the Bank's pro forma value is warranted.

DIVIDEND PAYMENTS

The Corporation has not committed to pay dividends following the completion of its minority stock offering. As indicated in the offering prospectus, based on its earnings performance in 2004 and 2005 and for the twelve months ended March 31, 2006, and recognizing its anticipated tangible capital ratio following conversion, Polonia Bank will likely not be permitted by OTS to pay dividends to Polonia Bancorp for at least one year following the completion of its MHC offering. Further, considering the substantial portion of net conversion proceeds that will initially be contributed to the Bank by the Corporation, following the funding of the ESOP loan by the Corporation, it is probable that the Corporation will not have sufficient funds to pay cash dividends to shareholders prior to its receipt of dividends from its subsidiary. Any payment of cash dividends by the Corporation in future years will continue to be dependent upon such factors as earnings performance, capital position, growth, and regulatory limitations.

Each of the ten institutions in the comparable group pays cash dividends for an average dividend yield of 2.31 percent and a payout ratio of 66.49 percent. It should be noted that one of the comparable group institutions, First Bancshares, Inc., paid cash dividends notwithstanding net losses, resulting in a payout that is not meaningful.

The Corporation's anticipated nonpayment of cash dividends in the medium term is a function of both financial ability and regulatory constraint, rather than discretion on the part of management and the board of directors. Consequently, in our opinion, a small downward adjustment to the pro forma market value of the Corporation is warranted at this time related to dividend payments relative to the comparable group.

SUBSCRIPTION INTEREST

In 2005, investors' interest in new issues was limited and subscription levels were consistently low to moderate, although a few issues received stronger response from the marketplace. New issues also attracted less interest from investors in 2005 and to date in 2006, and aftermarket price increases have been lower than in previous years. Overall, the recent and current reaction of IPO investors appears generally related to a number of analytical factors, including the financial performance and condition of the converting thrift institution, the strength of the local economy, general market conditions, aftermarket price trends and the anticipation of continuing merger/acquisition activity in the thrift industry. Although the number of recent offerings has been small relative to the 1990s, there appears to be only moderate demand for new financial institution issues. Even some issues attracting greater interest have experienced smaller than expected price increases and, in some cases, price decreases in the aftermarket.

The Corporation will direct its offering to depositors of the Bank and, if there is a community offering, to the general public with a preference to residents of Cayuga and Seneca Counties and Pennsylvania. The board of directors and officers anticipate purchasing approximately \$1,400,000 of the conversion stock or 140,000 shares, which represents 14.1 percent of the stock offered to the public based on the appraised midpoint valuation.

The Corporation has engaged the services of Sandler O'Neill & Partners ("Sandler O'Neill") to assist in the marketing and sale of the conversion stock.

Based on the characteristics of Polonia relative to the size of the offering, recent market movement and current market conditions, local market interest, the terms of the offering and recent subscription levels for initial offerings, we believe that a small downward adjustment is warranted for the Corporation's anticipated subscription interest.

LIQUIDITY OF THE STOCK

The Corporation's total public offering is considerably smaller in size relative to the average market value of the comparable group and Mid-Atlantic thrifts. The comparable group has an average market value of \$38.5 million for the stock outstanding compared to a midpoint public offering of \$9.9 million for the Corporation. Of the ten institutions in the comparable group, all are traded on NASDAQ, indicating an average daily trading volume of 1,344 shares during the last four quarters. With 990,000 shares to be outstanding at the midpoint of the offering range, the Corporation will have many fewer shares outstanding than the comparable group with an average of 1.8 million shares.

Based on the average market capitalization, shares outstanding and daily trading volume of the comparable group, as well as the relative trading volume of publicly-traded mutual holding companies, we have concluded that a downward adjustment to the Corporation's pro forma market value is warranted relative to the anticipated liquidity of its stock.

MANAGEMENT

As previously discussed, Polonia's senior management team includes its president and chief executive officer, Anthony J. Szuszczevicz; its chief financial officer and treasurer, Paul D. Rutkowski; and its senior vice president, Kenneth J. Maliszewski.

Although net interest margin, overhead expenses, efficiency ratio and earnings have historically been less favorable than the comparable group and industry averages, over the past several years, the management of Polonia has been successful in significantly increasing the Bank's loan portfolio and reducing investments, resulting in a loans to assets ratio generally in line with comparable group and industry averages. Historically, the Bank's ratio of interest-earning assets to total assets has also in line with or higher than the comparable group and industry averages. Polonia has historically maintained a higher ratio of deposits to assets and a lower ratio of borrowed funds to assets

Management (cont.)

relative to the comparable group and industry averages; and its cost of interest-bearing liabilities has been lower than comparable group and industry averages.

Nonperforming assets are currently lower than industry averages and have indicated improvement since 2004. At March 31, 2006, the Bank was absent repossessed assets, which indicate a consistent annual decrease since 2002.

Overall, although the Bank experienced operating losses in two of its most recent five fiscal years and demonstrated no meaningful asset growth in recent years, we believe the Bank is managed in a manner and at a professional level generally commensurate with the comparable group institutions; and we recognize that management has prepared a business plan and a use of conversion proceeds that are intended to improve the condition and performance of Polonia in future years.

It is our opinion that no adjustment to the pro forma market value of the Corporation is warranted for management.

MARKETING OF THE ISSUE

The necessity to build a new issue discount into the stock price of a converting thrift institution continues to be a closely examined issue in recognition of uncertainty among investors as a result of the thrift industry's dependence on interest rate trends, recent volatility in the stock market and reduced interest in conversion offerings. Increased merger/acquisition activity, as well as the presence of new competitors in the financial institution industry, such as de novo institutions, investment firms, insurance companies and mortgage companies, have resulted in increased pressure on an individual institution's ability to attract retail deposits at normal rates rather than premium rates and to deploy new funds in a timely and profitable manner.

Marketing of the Issue (cont.)

Although we believe that a new issue discount applied to the price to book valuation approach is appropriate and necessary in some public offerings, in our opinion, various characteristics of the Corporation's transaction, as well as recent market trends, cause us to conclude that such a discount is not warranted in the case of this particular offering. Consequently, at this time we have made no adjustment to the Corporation's pro forma market value related to a new issue discount.

VI. VALUATION METHODS

Introduction

Historically, the most frequently used method for determining the pro forma market value of common stock for thrift institutions by this firm has been the price to book value ratio method, due to the volatility of earnings in the thrift industry in the early to mid-1990s. As earnings in the thrift industry stabilized and improved in the late 1990s, more emphasis was placed on the price to earnings method, particularly considering increases in stock prices during those years. During the past two years, however, as rising interest rates have had varying effects on individual institutions, depending on the nature of their operations, the price to book value method has again become pertinent and meaningful in the objective of discerning commonality and comparability among institutions. In determining the pro forma market value of Polonia Bancorp, primary emphasis has been placed on the price to book value method, due to the Bank's core and net after tax losses in 2005 and for the twelve months ended March 31, 2006, since the price to earnings and price to core earnings methods are not meaningful for an institution with considerable historical earnings volatility and recent operating losses.

As primarily a correlative indicator, the price to net assets method has also been used. The price to assets method is used less often for valuing ongoing institutions, but becomes more useful in valuing converting institutions when the equity position and earnings performance of the subject institution are different.

In addition to the pro forma market value, we have defined a fully converted valuation range with the minimum of the range being 85.0 percent of the pro forma market value, the maximum of the range being 115.0 percent of the pro forma market value, and a super maximum being 115.0 percent of the maximum. The pro forma market value or appraised value will also be referred to as the "midpoint value".

Valuation Methods (cont.)

In applying each of the valuation methods, consideration was given to the adjustments to the Bank's pro forma market value discussed in Section V. Downward adjustments were made for earnings performance, market area, asset, loan and deposit growth, dividend payments, subscription interest and the liquidity of the stock. No adjustments were made for the Bank's financial condition, marketing of the issue and management.

PRICE TO BOOK VALUE METHOD

In the valuation of thrift institutions, the price to book value method focuses on an institution's financial condition, and does not give as much consideration to the institution's long term performance and value as measured by earnings. Due to the earnings volatility of many thrift stocks, including Polonia, the price to book value method is frequently used by investors who rely on an institution's financial condition rather than earnings performance. Although this method is, under certain circumstances, considered somewhat less meaningful for institutions that provide a consistent earnings trend, it remains significant and reliable when an institution's performance or general economic conditions are experiencing volatile or uncustomary trends related to internal or external factors, and serves as a complementary and correlative analysis to the price to earnings and price to assets approaches.

It should be noted that the prescribed formulary computation of value using the pro forma price to book value method returns a price to book value ratio below market value on a fully converting institution. In the case of a minority offering such as Polonia, however, the application of the prescribed formulary computation to a sale of less than all the shares based on the full valuation of the institution might return a value in excess of the book value of the institution. In most instances, nevertheless, such a value remains below current comparable market values.

Price to Book Value Method (cont.)

Exhibit 50 shows the average and median price to book value ratios for the comparable group which were 115.92 percent and 108.97 percent, respectively. The full comparable group indicated a moderately wide range, from a low of 93.72 percent (Home City Financial Corp.) to a high of 146.83 percent (Elmira Savings Bank). The comparable group had moderately higher average and median price to tangible book value ratios of 124.64 percent and 116.46 percent, respectively, with the range of 95.40 percent to a higher 151.76 percent. Excluding the low and the high in the group, the comparable group's price to book value range narrowed modestly from a low of 96.88 percent to a high of 142.44; and the comparable group's price to tangible book value range also narrowed modestly from a low of 98.20 percent to a high of 150.77 percent.

Considering the foregoing factors in conjunction with the adjustments made in Section V, we have determined a pro forma price to book value ratio of 69.81 percent and a price to tangible book value ratio of 68.58 percent at the midpoint. The price to book value ratio increases from 65.68 percent at the minimum to 76.16 percent at the super maximum, while the price to tangible book value ratio increases from 64.40 percent at the minimum to 75.05 percent at the super maximum.

The Corporation's pro forma price to book value and price to tangible book value ratios of 69.81 percent and 68.58 percent, respectively, as calculated using the prescribed formulary computation indicated in Exhibit 49, are influenced by the Bank's capitalization, local market and percentage of public ownership, as well as subscription interest in thrift stocks and overall market and economic conditions. Further, the Corporation's fully converted ratio of equity to assets after conversion at the midpoint of the valuation range will be approximately 16.29 percent compared to 9.36 percent for the comparable group. Based on the price to book value ratio and the Bank's total equity of \$11,578,000 at March 31, 2006, the indicated pro forma market value of the Bank using this approach is \$22,106,550 at the midpoint (reference Exhibit 49).

PRICE TO EARNINGS METHOD

The foundation of the price to earnings method is the determination of the earnings base to be used, followed by the determination of an appropriate price to earnings multiple. As indicated in Exhibit 3 and previously discussed, Polonia's after tax net loss for the twelve months ended March 31, 2006, was \$(993,000), and the Bank's core loss for that period was \$(62,000), based on the adjustments shown in Exhibit 7. Additionally, Polonia indicated a net loss of \$(651,000) for the year ended December 31, 2005, following positive net earnings of \$330,000 and \$530,000 for the years ended December 31, 2004 and 2003, respectively, and a net loss of \$(497,000) for the year ended December 31, 2002.. Considering such negative earnings bases and volatile trends, we have concluded that both the price to net earnings method and price to core earnings method are not meaningful.

PRICE TO ASSETS METHOD

The price to assets method is not frequently used, since the calculation incorporates neither an institution's equity position nor its earnings base. Additionally, the prescribed formulary computation of value using the pro forma price to assets method does not recognize the runoff of deposits concurrently allocated to the purchase of conversion stock, returning a pro forma price to net assets ratio below its true level following conversion.

Exhibit 49 indicates that the average price to assets ratio for the comparable group was 10.71 percent and the median was 10.41 percent. The range in the price to assets ratios for the comparable group varied from a low of 7.49 percent (MFB Corp.) to a high of 14.76 percent (Park Bancorp, Inc.). The range narrows modestly with the elimination of the two extremes in the group to a low of 8.46 percent and a high of 12.54 percent.

Based on the previously noted adjustments, it is our opinion that an appropriate price to assets ratio for the Corporation is 11.33 percent at the midpoint, which ranges from a low of 9.78 percent at the minimum to 14.44 percent at the super maximum.

Price to Assets Method (cont.)

Based on the Bank's March 31, 2006, asset base of \$172,419,000, the indicated pro forma market value of the Corporation using the price to assets method is \$22,026,828 at the midpoint (reference Exhibit 49).

VALUATION CONCLUSION

Exhibit 55 provides a summary of the valuation premium or discount relative to the comparable group at each of the valuation ranges using the price to book value and price to assets approaches. At the midpoint value, the price to book value ratio of 69.81 percent for the Corporation represents a discount of 39.78 percent relative to the comparable group and decreases to a discount of 34.30 percent at the super maximum. The price to assets ratio at the midpoint represents a premium of 5.82 percent, increasing to a premium of 34.87 percent at the maximum, as adjusted.

It is our opinion that as of June 1, 2006, the fully converted pro forma market value of the Corporation, is \$22,000,000 at the midpoint, representing 2,200,000 shares at \$10.00 per share. The fully converted pro forma valuation range of the Corporation is from a minimum of \$18,700,000 or 1,870,000 shares at \$10.00 per share to a maximum of \$25,300,000 or 2,530,000 shares at \$10.00 per share, with such range being defined as 15 percent below the appraised value to 15 percent above the appraised value. The maximum, as adjusted, defined as 15 percent above the maximum of the range, is \$29,095,000 or 2,909,500 shares at \$10.00 per share.

Our valuation assumptions, process and conclusions recognize that the minority public offering contemplates the sale of 45.0 percent of the outstanding shares, representing offerings of \$9,900,000 or 990,000 shares at the midpoint, \$8,415,000 or 841,500 shares at the minimum, \$11,385,000 or 1,138,500 shares at the maximum and \$13,092,750 or 1,309,275 shares at the maximum, as adjusted.

Valuation Conclusion (cont.)

The fully converted pro forma appraised value of Polonia Bancorp as of June 1, 2006 is \$22,000,000 at the midpoint.

EXHIBITS

NUMERICAL
EXHIBITS

EXHIBIT 1

POLONIA BANK Huntingdon Valley, Pennsylvania

Statement of Financial Condition March 31, 2006

	March 31, 2006
ASSETS	
Cash and due from banks	\$ 935,041
Interest-bearing deposits with other institutions	2,354,363
Cash and cash equivalents	<u>3,289,404</u>
Investment securities available-for-sale	57,502,993
Loans receivable (net of allowance for loan losses of \$652,293)	97,452,714
Accrued interest receivable	703,571
Federal Home Loan Bank stock	1,206,300
p	5,557,554
Bank-owned life insurance	3,859,505
Other assets	<u>2,847,237</u>
Total assets	<u>\$ 172,419,278</u>
LIABILITIES	
Deposits	\$ 140,822,582
Short-term borrowings	4,500,000
Other borrowings	12,853,421
Advances by borrowers for taxes and insurance	760,143
Accrued interest payable	64,771
Other liabilities	<u>1,840,839</u>
Total liabilities	160,841,756
RETAINED EARNINGS	
Retained earnings - substantially restricted	12,145,689
Accumulated other comprehensive income (loss)	<u>(568,167)</u>
Total retained earnings	<u>11,577,522</u>
Total liabilities and retained earnings	<u>\$ 172,419,278</u>

Source: Polonia Bank's Financial Statements.

EXHIBIT 2

POLONIA BANK Huntingdon Valley, Pennsylvania

Statements of Financial Condition December 31, 2004 and 2005

	December 31,	
	2005	2004
ASSETS		
Cash and due from banks	\$ 963,727	\$ 1,253,639
Interest-bearing deposits with other institutions	2,802,721	645,024
Cash and cash equivalents	3,766,448	1,898,663
Investment securities available-for-sale	58,308,114	61,340,784
Loans receivable (net of allowance for loan losses (of \$650,943 and \$691,512))	96,904,997	96,455,902
Accrued interest receivable	699,986	816,229
Federal Home Loan Bank stock	1,609,800	1,875,900
Premises and equipment, net	5,650,173	5,802,219
Bank-owned life insurance	3,816,671	3,738,738
Other assets	3,065,748	3,652,647
Total assets	<u>\$ 173,821,937</u>	<u>\$ 175,581,082</u>
LIABILITIES		
Deposits	\$ 142,007,175	\$ 132,887,115
Short-term borrowings	3,500,000	—
Other borrowings	13,409,158	26,585,709
Advances by borrowers for taxes and insurance	963,893	1,049,891
Accrued interest payable	50,053	142,977
Other liabilities	1,863,441	1,853,983
Total liabilities	161,793,720	162,519,675
RETAINED EARNINGS		
Retained earnings - substantially restricted	12,296,839	12,947,440
Accumulated other comprehensive income (loss)	(268,622)	23,967
Total retained earnings	<u>12,028,217</u>	<u>12,971,407</u>
Total liabilities and retained earnings	<u>\$ 173,821,937</u>	<u>\$ 175,491,082</u>

Source: Polonia Bank's Financial Statements.

EXHIBIT 3**POLONIA BANK**
Huntingdon Valley, Pennsylvania**Consolidated Statements of Income**
For the Three Months Ended March 31, 2005 and 2006

	Three Months Ended March 31,	
	2006	2005
Interest and Dividend Income		
Loans receivable	\$ 1,406,599	\$ 1,418,028
Investment securities	700,670	596,826
Other dividend income	17,216	15,916
Total interest and dividend income	2,124,485	2,030,770
Interest expense:		
Deposits	835,426	526,829
Short-term borrowings	33,025	2,000
Other borrowings	122,330	294,194
Total interest expense	990,781	823,023
Net interest income	1,133,704	1,207,747
Provision for loan losses	--	--
Net interest income after provision for loan losses	1,133,704	1,207,747
Noninterest income		
Service fees on deposit accounts	35,547	36,288
Earnings on bank-owned life insurance	42,834	11,100
Investment securities losses, net	(167,697)	(17,142)
Rental income	80,513	78,038
Other	83,444	60,263
Total noninterest income	74,641	168,547
Noninterest expense		
Compensation and employee benefits	731,563	671,355
Occupancy and equipment	224,999	207,923
Federal deposit insurance premiums	33,183	34,854
Data processing expense	66,469	54,522
Professional fees	62,601	51,388
Other	253,625	224,238
Total noninterest expense	1,372,440	1,244,280
Income (loss) before income tax expense (benefit)	(164,095)	132,014
Income tax expense (benefit)	(12,945)	39,643
Net income	\$ (151,150)	\$ 92,371

Source: Polonia Bank's Financial Statements

EXHIBIT 4

POLONIA BANK
Huntingdon Valley, Pennsylvania

Consolidated Statements of Income
For the Years Ended December 31, 2004 and 2005

	Years Ended December 31,	
	2005	2004
Interest and Dividend Income		
Loans receivable	\$ 5,569,147	\$ 5,744,051
Investment securities	2,584,551	2,436,922
Other dividend income	75,640	49,985
Total interest and dividend income	<u>8,229,338</u>	<u>8,230,958</u>
Interest expense:		
Deposits	2,339,862	2,129,853
Short-term borrowings	79,165	19,825
Other borrowings	1,061,122	1,236,600
Total interest expense	<u>3,480,149</u>	<u>3,386,278</u>
Net interest income	4,749,189	4,844,680
Provision for loan losses	<u>--</u>	<u>--</u>
Net interest income after provision for loan losses	4,749,189	4,844,680
Noninterest income		
Service fees on deposit accounts	169,849	151,592
Earnings on bank-owned life insurance	77,933	164,732
Investment securities losses, net	(842,208)	(76,021)
Rental income	313,997	299,698
Other	227,030	208,344
Total noninterest income	<u>(53,399)</u>	<u>748,345</u>
Noninterest expense		
Compensation and employee benefits	2,817,544	2,712,761
Occupancy and equipment	880,305	870,073
Federal deposit insurance premiums	136,701	141,443
Data processing expense	237,363	205,193
Professional fees	201,780	190,911
Other	1,212,855	947,466
Total noninterest expense	<u>5,486,548</u>	<u>5,067,847</u>
Income (loss) before income tax expense (benefit)	(790,758)	525,178
Income tax expense (benefit)	<u>(140,157)</u>	<u>195,639</u>
Net income	<u>\$ (650,601)</u>	<u>\$ 329,539</u>

Source: Polonia Bank's Financial Statements

EXHIBIT 5

Selected Financial Information At March 31, 2006 and At December 31, 2003, 2004 and 2005

	March 31, 2006	At December 31,		
		2005	2004	2003
		(In thousands)		
Financial Condition Data:				
Total assets	\$ 172,419	\$ 173,822	\$ 175,491	185,933
Securities available-for-sale	57,503	58,308	61,341	68,053
Loans receivable, net	97,453	96,905	96,456	98,331
Cash and cash equivalents	3,289	3,766	1,899	4,081
Deposits	140,823	142,007	132,887	138,643
Short term borrowings	4,500	3,500	—	7,500
Other borrowings	12,853	13,409	26,586	28,690
Total retained earnings	11,578	12,028	12,971	12,989

Source: Polonia Bancorp.'s Prospectus

EXHIBIT 6

Income and Expense Trends For the Three Months Ended March 31, 2005 and 2006, and For the Years Ended December 31, 2003, 2004 and 2005

	For the Three Months Ended March 31,		For the Year Ended December 31,		
	2006	2005	2005	2004	2003
	(In thousands)				
Operating Data:					
Interest income	\$ 2,125	\$ 2,031	\$ 8,229	\$ 8,231	\$ 8,983
Interest expense	991	823	3,480	3,386	4,394
Net interest income	1,134	1,208	4,749	4,845	4,589
Provision for loan losses	--	--	--	--	--
Net interest income after provision for loan losses	1,134	1,208	4,749	4,845	4,589
Noninterest income	75	168	(53)	748	1,274
Noninterest expenses	1,373	1,244	5,487	5,068	5,233
Income before income taxes	(164)	132	(791)	525	630
Provision for income taxes	(13)	40	(140)	196	178
Net income	<u>\$ (151)</u>	<u>\$ 92</u>	<u>\$ (651)</u>	<u>\$ 329</u>	<u>\$ 452</u>

Source: Polonia Bancorp.'s Prospectus

EXHIBIT 7

Normalized Earnings Trends Twelve Months Ended March 31, 2006

	Twelve Months Ended March 31, 2006 (In thousands)
Net income (loss) before taxes	\$ (1,087)
Provision adjustments	- 0 -
Expense adjustments	- 0 -
Income adjustments	
Gains	993
Normalized earnings (loss) before taxes	(94)
Taxes	<u>(32)</u>
Normalized earnings (loss) after taxes	<u><u>\$ (62)</u></u>

Source: Polonia Bank's audited and unaudited financial statements.

EXHIBIT 8

Performance Indicators At of For the Three Months Ended March 31, 2005 and 2006 and At or for the Years Ended December 31, 2003, 2004 and 2005

	Three Months Ended March 31,		Years Ended December 31,		
	2006	2005	2005	2004	2003
Performance Ratios:					
Return on average assets	(0.35)%	0.21%	(0.38)%	0.18%	0.24%
Return on average equity	(5.06)%	2.81%	(5.13)%	2.51%	3.35%
Interest rate spread ⁽¹⁾	2.74%	2.93%	2.97%	2.87%	2.59%
Net interest margin ⁽²⁾	2.86%	3.01%	3.04%	2.94%	2.64%
Noninterest expense to average assets	3.20%	2.84%	3.17%	2.82%	2.78%
Efficiency ratio ⁽³⁾	99.71%	89.30%	99.10%	89.40%	87.69%
Average interest-earning assets to average interest-bearing liabilities	103.63%	102.79%	103.25%	103.09%	101.96%
Average equity to average assets	6.98%	7.47%	7.34%	7.31%	7.17%
Capital Ratios:					
Tangible capital (to adjusted total assets)	7.02%	7.36%	7.04%	7.26%	6.69%
Core capital (to risk-weighted assets)	7.02%	7.36%	7.04%	7.26%	6.69%
Risk-based capital (to risk-weighted assets)	16.37%	16.24%	16.38%	15.82%	15.01%
Asset Quality Ratios:					
Allowance for loan losses as a percent of total loans	0.66%	0.67%	0.66%	0.71%	0.74%
Allowance for loan losses as a percent of nonperforming loans	2.32X	1.84X	2.52X	2.05X	1.53X
Net charge-offs to average outstanding loans during the period	--	--	(0.04)%	(0.05)%	(0.09)%
Nonperforming loans as a percent of total loans	0.29%	0.39%	0.26%	0.35%	0.49%

(1) Represents the difference between the weighted average yield on average interest-earning assets and the weighted average cost of interest-bearing liabilities.

(2) Represents net interest income as a percent of average interest-earning assets.

(3) Represents noninterest expense divided by the sum of net interest income and noninterest income, excluding gains or losses on sale of securities.

Source: Polonia Bancorp.'s Prospectus

EXHIBIT 9

Volume/Rate Analysis For the Three Months Ended March 31, 2006 and For the Year Ended December 31, 2005

	Three Months Ended March 31, 2006 vs 2005			Years ended December 31 2005 vs 2004		
	Increase (Decrease)			Increase (Decrease)		
	Due to			Due to		
	Volume	Rate	Total	Volume	Rate	Total
	(Dollars in thousands)			(Dollars in thousands)		
Interest and dividend income:						
Loans receivable	\$ (14)	\$ (10)	\$ (24)	\$ (28)	\$ (79)	\$ (107)
Investment securities and other	(9)	110	101	(152)	312	160
Other	(2)	16	14	(8)	29	21
Total interest-earning assets	<u>\$ (25)</u>	<u>\$ 116</u>	<u>\$ 91</u>	<u>\$ (188)</u>	<u>\$ 262</u>	<u>\$ 74</u>
Interest expense:						
Interest-bearing demand	\$ (3)	\$ (1)	\$ (4)	\$ -	\$ -	\$ -
Money market deposits	-	-	-	-	-	-
Savings accounts	(15)	(3)	(18)	(25)	(46)	(71)
Certificates of deposit	95	235	330	32	249	281
FHLB advances - short term	12	19	31	16	43	59
FHLB advances - long term	(128)	(44)	(172)	(235)	61	(174)
Total interest-bearing liabilities	<u>(40)</u>	<u>207</u>	<u>167</u>	<u>(212)</u>	<u>307</u>	<u>95</u>
Net change in interest income	<u>\$ 15</u>	<u>\$ (91)</u>	<u>\$ (76)</u>	<u>\$ 24</u>	<u>\$ (45)</u>	<u>\$ (21)</u>

Source: Polonia Bancorp's Prospectus

EXHIBIT 10

Yield and Cost Trends At March 31, 2006 and For the Three Months Ended March 31, 2005 and 2006 and For the Years Ended December 31, 2004 and 2005

	At March 31, 2006	Three Months Ended March 31,		Years Ended December 31,	
	Yield/ Rate	2006 Yield/ Rate	2005 Yield/ Rate	2005 Yield/ Rate	2004 Yield/ Rate
Assets:					
Interest-earning assets:					
Loans	5.67%	5.80%	5.79%	5.91%	5.99%
Investment securities and other interest-earning assets	4.87%	4.77%	3.88%	4.22%	3.61%
Total interest-earning assets	5.37%	5.31%	5.03%	5.24%	4.99%
 Liabilities and equity:					
Interest-bearing liabilities:					
Interest-bearing demand deposits	0.60%	0.60%	0.62%	0.23%	0.23%
Money market and savings accounts	1.41%	1.37%	1.38%	0.75%	0.82%
Certificates of deposit	4.00%	3.81%	2.25%	3.46%	2.99%
Total interest-bearing deposits	2.55%	2.45%	1.64%	1.81%	1.62%
 Short term borrowings	4.90%	3.74%	0.79%	4.51%	1.78%
Other borrowings	3.73%	3.71%	4.48%	4.72%	4.51%
Total interest-bearing liabilities	2.71%	2.57%	2.10%	2.27%	2.12%
 Interest rate spread	2.66%	2.74%	2.93%	2.97%	2.87%
Net interest margin	2.82%	2.86%	3.01%	3.04%	2.94%
 Average interest-earning assets to average interest-bearing liabilities	100.82%	103.63%	102.79	103.25%	103.09%

Source: Equitable Financial Corp.'s Prospectus

EXHIBIT 11

Net Portfolio Value (NPV) At March 31, 2006

Change in Interest Rates (Basis Points)	Net Portfolio Value			NPV as % of Assets	
	\$ Amount	\$ Change	% Change	NPV Ratio	Change ⁽¹⁾
	(Dollars in thousands)				
300	\$ 6,815	\$ (12,764)	(65.00)%	4.14%	(676)
200	10,970	(8,609)	(44.00)%	6.47%	(443)
100	15,307	(4,272)	(22.00)%	8.77%	(213)
—	19,579	—	—	10.90%	—
(100)	23,031	3,452	18.00%	12.53%	162
(200)	23,579	4,001	20.00%	12.72%	181

⁽¹⁾ Expressed in basis points.

Source: Polonia Bancorp's Prospectus

EXHIBIT 12

Loan Portfolio Composition At March 31, 2006 and At December 31, 2004 and 2005

	At March 31,		At December 31,			
	2006		2005		2004	
	Amount	Percent	Amount	Percent	Amount	Percent
	(Dollars in thousands)					
Real estate - mortgage:						
One- to four-family	\$ 89,338	90.93%	\$ 88,873	90.96%	\$ 87,653	89.99%
Multi-family and commercial real estate	3,485	3.55%	3,563	3.65%	3,611	3.71%
Home equity loans	2,682	2.73%	2,558	2.61%	2,705	2.78%
Total real estate loans	95,505	97.21%	94,994	97.22%	93,969	96.48%
Consumer:						
Education	2,706	2.75%	2,679	2.74%	3,117	3.19%
Loans on savings accounts	41	0.04%	38	0.04%	154	0.16%
Other	—	0.00%	2	0.00%	162	0.17%
Total consumer loans	2,747	2.79%	2,719	2.78%	3,433	3.52%
Total loans	98,252	100.0%	97,713	100.0%	97,402	100.0%
Discount on loans purchased	147		157		254	
Allowance for losses	652		651		692	
Loans, net	<u>\$ 97,453</u>		<u>\$ 96,905</u>		<u>\$ 96,456</u>	

Source: Polonia Bancorp's Prospectus

EXHIBIT 13

Loan Maturity Schedule At March 31, 2006

	One- to Four-Family Real Estate Loans	Multi-Family and Commercial Real Estate Loans	Home Equity Loans (In thousands)	Consumer Loans	Total Loans
<u>Amounts due in:</u>					
One year or less	\$ 1,836	\$ 265	\$ 41	\$ 1,114	\$ 3,256
More than one to five years	2,256	563	223	924	3,966
More than five years	85,246	2,657	2,418	708	91,029
Total	<u>\$ 89,338</u>	<u>\$ 3,485</u>	<u>\$ 2,682</u>	<u>\$ 2,746</u>	<u>\$ 98,251</u>

Due after March 31, 2007

	Fixed Rates (In Thousands)	Total
Real estate loans:		
One- to four-family	\$ 87,502	\$ 87,502
Multi-family and commercial real estate	3,220	3,220
Home equity loans	2,641	2,641
Consumer loans	1,632	1,632
Total	<u>\$ 94,995</u>	<u>\$ 94,995</u>

Source: Polonia Bancorp's Prospectus

EXHIBIT 14

Loan Originations and Purchases For the Three Months Ended March 31, 2006 and 2005, and For the Years Ended December 31, 2004 and 2005

	Three Months Ended March 31,		Years Ended December 31,	
	2006	2005	2005	2004
	(In thousands)			
Total loans at beginning of period	\$ 97,713	\$ 97,402	\$ 97,402	\$ 99,325 -
Loans originated:				
Real estate loans:				
One- to four-family	2,185	2,167	13,346	13,759
Multi-family and commercial real estate	--	--	338	--
Home equity loans	353	300	878	583
Consumer	235	314	689	945
Total loans originated	<u>2,773</u>	<u>2,781</u>	<u>15,251</u>	<u>15,287</u>
Loans purchased	--	--	1,778	7,085
Deduct:				
Real estate loan principal repayments	(2,232)	(3,853)	(16,720)	(24,295)
Net loan activity	<u>541</u>	<u>(1,072)</u>	<u>309</u>	<u>(1,923)</u>
Total loans at end of period	<u><u>\$ 98,254</u></u>	<u><u>\$ 96,330</u></u>	<u><u>\$ 97,713</u></u>	<u><u>\$ 97,402</u></u>

Source: Polonia Bancorp's Prospectus

EXHIBIT 15

Delinquent Loans At March 31, 2006 and At December 31, 2004 and 2005 (In Thousands)

	At March 31,		At December 31,			
	2006		2005		2004	
	30-59 Days Past Due	60-89 Days Past Due	30-59 Days Past Due	60-89 Days Past Due	30-59 Days Past Due	60-89 Days Past Due
Real estate loans:						
One- to four-family	\$ --	\$ --	\$ 92	\$ --	\$ 171	\$ --
Multi-family and commercial real estate	--	--	--	--	--	--
Home equity loans	--	--	--	--	--	--
Consumer loans	45	4	47	48	31	45
Total loans	<u>\$ 45</u>	<u>\$ 4</u>	<u>\$ 139</u>	<u>\$ 48</u>	<u>\$ 202</u>	<u>\$ 45</u>

Source: Polonia Bancorp's Prospectus

EXHIBIT 16

Nonperforming Assets At March 31, 2006 and at December 31, 2004 and 2005

	<u>At March 31,</u> <u>2006</u>	<u>At December 31,</u> <u>2005</u>	<u>2004</u>
	(Dollars in thousands)		
Nonaccrual loans:			
Real estate - mortgage			
One- to four-family	\$ 269	\$ 246	\$ 322
Multi-family and commercial real estate	-	-	-
Home equity loans	-	-	-
Consumer	12	12	16
Total	<u>\$ 281</u>	<u>258</u>	<u>338</u>
Real estate owned	-	428	680
Other nonperforming assets			
Total nonperforming assets	<u>281</u>	<u>686</u>	<u>1,018</u>
Total nonperforming loans to total loans	0.29%	0.26%	0.35%
Total nonperforming loans to total assets	0.16%	0.39%	0.58%
Total nonperforming assets and troubled debt restructurings to total assets	0.16%	0.39%	0.58%

Source: Polonia Bancorp's Prospectus

EXHIBIT 17

Classified Assets At March 31, 2006 and at December 31, 2004 and 2005

	At March 31, <u>2006</u>	At December 31, <u>2005</u> (in thousands)	<u>2004</u>
Substandard assets	\$ 281	\$ 738	\$ 1,092
Doubtful assets	--	--	--
Loss assets	--	--	--
Total classified assets	<u>\$ 281</u>	<u>\$ 738</u>	<u>\$ 1,092</u>

Source: Polonia Bancorp's Prospectus

EXHIBIT 18

Allowance for Loan Losses For the Three Months Ended March 31, 2005 and 2006 and For the Years ended December 31, 2004 and 2005

	Three Months Ended March 31,		Year Ended December 31,	
	2006	2005	2005	2004
	(Dollars in thousands)			
Allowance at beginning of period	\$ 651	\$ 692	\$ 692	\$ 736
Provision for loan losses	--	--	--	--
Charge-offs:				
One- to four-family	--	--	(66)	(49)
Multi-family and commercial real estate	--	--	--	--
Home equity loans	--	--	--	--
Consumer loans	--	--	--	--
Total	0	0	(66)	(49)
Recoveries:				
One- to four-family	1	1	25	5
Multi-family and commercial real estate	--	--	--	--
Home equity loans	--	--	--	--
Consumer loans	--	--	--	--
Total	1	1	25	5
Net charge-offs	(1)	1	41	44
Allowance at end of period	\$ 652	\$ 692	\$ 651	\$ 692
Allowance to nonperforming loans	232.00%	183.00%	252.00%	204.00%
Allowance to total loans outstanding at the end of the period	0.66%	0.71%	0.67%	0.71%
Net charge-offs (recoveries) to average loans outstanding during the period	--	--	(0.04)%	(0.05)%

Source: Prospect Bancorp's Prospectus

EXHIBIT 19

Investment Portfolio Composition At March 31, 2006 and At December 31, 2004 and 2005

	At March 31,		At December 31,			
	2006		2005		2004	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value
	(Dollars in thousands)					
Securities available-for-sale:						
Fannie Mae	\$ 24,386	\$ 23,858	\$ 22,566	\$ 22,303	\$ 7,491	\$ 7,526
Freddie Mac	11,510	11,244	11,941	11,794	3,214	3,252
Ginnie Mae	2,836	2,844	3,059	3,118	4,456	4,586
Other	16	16	18	18	195	196
Total mortgage-backed securities	38,748	37,962	37,584	37,233	15,356	15,560
U.S. government agency securities	1,400	1,333	1,400	1,353	4,396	4,324
Corporate securities	625	617	1,973	1,959	10,575	10,686
Total debt securities	40,773	39,912	40,957	40,545	30,327	30,570
Equity securities	17,591	17,591	17,759	17,763	30,978	30,770
Total	\$ 58,364	\$ 57,503	\$ 58,716	\$ 58,308	\$ 61,305	\$ 61,340

Source: Polonia Bancorp's Prospectus

EXHIBIT 20

Mix of Deposits At March 31, 2006 and at December 31, 2004 and 2005

	At March 31,		At December 31,	
	2006		2005	2004
	(Dollars in thousands)			
	Amount	Percent of Total	Amount	Percent of Total
Noninterest-bearing accounts	\$ 4,147	2.9%	\$ 4,901	3.5%
Interest-bearing demand deposits	12,925	9.2%	13,077	9.2%
Money market and savings accounts	59,385	42.2%	60,462	42.5%
Certificates of deposit	64,366	45.7%	63,567	44.8%
Total	<u>\$ 140,823</u>	<u>100.0%</u>	<u>\$ 142,007</u>	<u>100.0%</u>
			<u>\$ 132,887</u>	<u>100.0%</u>

Source: Polonia Bancorp's Prospectus

EXHIBIT 21

Certificates of Deposit By Rate and Maturity At March 31, 2006

	Amount Due				Percent of Total Certificate Accounts
	Less Than One Year	More Than One Year To Two Years	More Than Two Years to Three Years	More Than Three Years to Four Years	Total
	(In thousands)				
Interest rate:					
0.00% - 2.00%	\$ 768	\$ 309	\$ --	\$ --	\$ 1,077
2.01% - 4.00%	25,863	3,562	7,801	--	37,956
4.01% - 6.00%	16,238	1,025	1,014	4,139	25,197
6.01% - 8.00%	64	66	7	--	136
Total	\$ 42,933	\$ 4,962	\$ 8,822	\$ 3,511	\$ 64,366

	At March 31, 2006	At December 31, 2005	2004
0.00% - 2.00%	\$1,077	\$1,901	\$26,174
2.01% - 4.00%	37,955	38,499	18,692
4.01% - 6.00%	25,198	22,341	3,000
6.01% - 8.00%	136	826	2,640
Total	\$64,366	\$63,567	\$50,506

Source: Polonia Bancorp's Prospectus

EXHIBIT 22

Deposit Activity For the Three Months Ended March 31, 2006 and 2005 and For the Years Ended December 31, 2005 and 2004

	Three Months Ended March 31,		Year Ended December 31,	
	2006	2005	2005	2004
	(in thousands)			
Beginning balance	\$ 142,007	\$ 132,876	\$ 132,887	\$ 139,470
Increase (decrease) before interest credited	(2,024)	170	6,797	(8,724)
Interest credited	835	527	2,340	2,130
Net increase (decrease) in deposits	\$ (1,189)	\$ 697	\$ 9,137	\$ (6,594)
Ending balance	<u>\$ 140,823</u>	<u>\$ 133,573</u>	<u>\$ 142,007</u>	<u>\$ 132,887</u>

Source: Polonia Bancorp's Prospectus

EXHIBIT 23

Borrowed Funds Activity At or For the Three Months Ended March 31, 2005 and 2006, and At or For the Years Ended December 31, 2004 and 2005

	Three Months Ended March 31,		Year Ended December 31,	
	2006	2005	2005	2004
	(Dollars in thousands)			
Maximum amount of advances outstanding at any month end during the period:				
FHLB advances	\$ 17,353	\$ 27,228	\$ 27,228	\$ 31,618
Average advances outstanding during the period:				
FHLB advances	\$ 16,539	\$ 26,895	\$ 25,566	\$ 28,660
Weighted average interest rate during the period:				
FHLB advances	3.75%	4.40%	4.71%	4.41%
Balance outstanding at end of period:				
FHLB advances	\$ 17,353	\$ 27,048	\$ 16,909	\$ 26,585
Weighted average interest rate at end of period:				
FHLB advances	4.03%	4.42%	3.82%	4.46%

Source: Polonia Bancorp's Prospectus

EXHIBIT 24

OFFICES OF POLONIA BANK HUNTINGDON VALLEY, PENNSYLVANIA As of March 31, 2006

<u>Location</u>	<u>Owned or Leased</u>	<u>Date Acquired or Leased</u>	<u>Net Book Value as of March 31, 2006</u> (In thousands)
<i>Main Office</i>			
3993 Huntingdon Pike Huntingdon Valley, Pennsylvania 19006	Owned	1996	\$2,625
<i>Branch Offices</i>			
2646 East Allegheny Avenue Philadelphia, Pennsylvania 19134	Owned	1970	\$1,487
2133 Spring Garden Street Philadelphia, Pennsylvania 19130	Owned	1979	\$352
2628 Orthodox Street Philadelphia, Pennsylvania 19137	Owned	1999	\$132
8000 Frankford Avenue Philadelphia, Pennsylvania 19136	Owned	1992	\$456

Source: Polonia Bancorp's Prospectus

EXHIBIT 25

DIRECTORS AND MANAGEMENT OF THE BANK At March 31, 2006

Name	Position(s) Held with the Bank	Age	Director Since	Term Expires
Eugene Andruczyk	Director	57	1995	2007
Frank J. Byrne	Director	59	1995	2007
Edward W. Lukiewski	Director	81	1948	2008
James B. Skowronski	Director	52	1988	2008
Anthony J. Szuszciewicz	Chairman of the Board, President and Chief Executive Officer, Director	65	1984	2009
Paul D. Rutkowski	Chief Financial Officer and Treasurer	--	--	--
Kenneth J. Maliszewski	Senior Vice President	--	--	--

Source: Polonia Bancorp's Prospectus

EXHIBIT 26

Key Demographic Data and Trends Bucks, Montgomery and Philadelphia Counties, Pennsylvania and the United States 1990, 2000, 2005 and 2010

	1990	2000	1990- 2000 % Change	2005	2000- 2005 % Change	2010	2005- 2010 % Change
<u>Population</u>							
Bucks County	541,174	597,635	10.4%	622,564	4.2%	646,658	3.9%
Montgomery County	678,111	750,097	10.6%	775,046	3.3%	798,024	3.0%
Philadelphia County	1,585,577	1,517,550	(4.3)%	1,464,645	(3.5)%	1,481,195	1.1%
Pennsylvania	11,881,643	12,281,054	3.4%	12,480,851	1.6%	12,694,512	1.7%
United States	248,709,873	281,421,906	13.2%	298,727,898	6.1%	317,430,845	6.3%
<u>Households</u>							
Bucks County	190,507	218,725	14.8%	232,115	6.1%	243,352	4.8%
Montgomery County	254,995	286,098	12.2%	300,017	4.9%	310,676	3.6%
Philadelphia County	603,075	590,071	(2.2)%	584,809	(0.9)%	579,302	(0.9)%
Pennsylvania	4,492,958	4,777,003	6.3%	4,920,361	3.0%	5,039,492	2.4%
United States	91,993,582	105,480,101	14.7%	112,448,901	6.6%	119,777,029	6.5%
<u>Per Capita Income</u>							
Bucks County	\$ 18,292	\$ 27,430	50.0%	\$ 34,847	27.0%	--	--
Montgomery County	21,990	30,898	40.5%	39,711	28.5%	--	--
Philadelphia County	12,091	16,509	36.5%	20,499	24.2%	--	--
Pennsylvania	14,068	20,880	48.4%	26,295	25.9%	--	--
United States	14,420	21,684	50.4%	26,228	21.0%	--	--
<u>Median Household Income</u>							
Bucks County	\$ 43,347	\$ 59,727	37.8%	\$ 73,522	23.1%	\$ 89,443	21.7%
Montgomery County	43,720	60,829	39.1%	75,725	24.5%	97,128	28.3%
Philadelphia County	24,603	30,746	25.0%	36,853	19.9%	44,292	20.2%
Pennsylvania	29,069	40,106	38.0%	48,534	21.0%	58,058	19.6%
United States	28,525	41,343	44.9%	48,534	17.4%	58,384	20.3%

Source: Census Bureau and ESRI

EXHIBIT 27

Key Housing Data Buck, Montgomery and Philadelphia Counties Pennsylvania and the United States 1990 & 2000

<u>Occupied Housing Units</u>	<u>1990</u>	<u>2000</u>
Bucks County	190,507	218,725
Montgomery County	254,995	286,098
Philadelphia County	603,075	590,071
Pennsylvania	4,495,966	4,777,003
United States	91,947,410	105,480,101

<u>Occupancy Rate</u>		
Bucks County		
Owner-Occupied	75.7%	77.4%
Renter-Occupied	24.3%	22.6%
Montgomery County		
Owner-Occupied	72.3%	73.5%
Renter-Occupied	27.7%	26.5%
Philadelphia County		
Owner-Occupied	61.9%	59.3%
Renter-Occupied	38.1%	40.7%
Pennsylvania		
Owner-Occupied	70.7%	71.3%
Renter-Occupied	29.3%	28.7%
United States		
Owner-Occupied	64.2%	66.2%
Renter-Occupied	35.8%	33.8%

<u>Median Housing Values</u>		
Bucks County	\$ 139,000	\$ 163,200
Montgomery County	142,400	160,700
Philadelphia County	48,400	59,700
Pennsylvania	69,100	97,000
United States	79,098	119,600

<u>Median Rent</u>		
Bucks County	\$ 604	\$ 736
Montgomery County	593	757
Philadelphia County	452	569
Pennsylvania	404	531
United States	374	602

Source: U.S. Census Bureau

EXHIBIT 28

Major Sources of Employment by Industry Group Bucks, Montgomery and Philadelphia Counties, Pennsylvania and the United States 1990 and 2000

Industry Group	1990				
	Bucks County	Montgomery County	Philadelphia County	Pennsylvania	United States
Agriculture/Mining	1.5%	1.2%	0.6%	2.4%	1.3%
Construction	7.1%	6.1%	4.4%	6.1%	4.8%
Manufacturing	20.7%	20.5%	13.6%	20.0%	19.2%
Transportation/Utilities	5.8%	5.2%	7.5%	6.9%	5.9%
Wholesale/Retail	23.1%	20.4%	19.7%	21.5%	27.5%
Finance, Insurance & Real Estate	7.6%	9.2%	8.2%	6.5%	7.3%
Services	34.2%	37.4%	46.1%	36.6%	34.0%

Industry Group	2000				
	Bucks County	Montgomery County	Philadelphia County	Pennsylvania	United States
Agriculture/Mining	0.5%	0.3%	0.1%	1.3%	1.9%
Construction	7.2%	5.6%	3.9%	6.0%	6.8%
Manufacturing	15.5%	15.0%	8.8%	16.0%	14.1%
Wholesale/Retail	17.9%	15.2%	13.4%	15.7%	15.3%
Transportation/Utilities	3.9%	3.2%	5.9%	5.4%	5.2%
Information	3.1%	3.5%	3.0%	2.6%	3.1%
Finance, Insurance & Real Estate	8.4%	10.0%	7.7%	6.6%	6.9%
Services	43.5%	47.1%	57.2%	46.4%	46.7%

Source: Bureau of the Census

EXHIBIT 29

**Unemployment Rates
Bucks, Montgomery and Philadelphia Counties,
Pennsylvania and the United States
For Years 2002 through 2005 and through April 2006**

<u>Location</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Through April 2006</u>
Bucks County	4.9%	4.7%	4.7%	4.1%	3.6%
Montgomery County	4.5%	4.5%	4.3%	3.9%	3.4%
Philadelphia County	7.6%	7.8%	7.5%	6.8%	5.9%
Pennsylvania	5.6%	5.7%	5.5%	5.0%	4.4%
United States	5.8%	6.0%	5.5%	5.1%	4.5%

Source: Local Area Unemployment Statistics - U.S. Bureau of Labor

EXHIBIT 30

Market Share of Deposits Montgomery and Philadelphia Counties June 30, 2005

	Montgomery County Deposits (\$000)	Polonia's Deposits (\$000)	Polonia's Share (%)
Banks	\$ 11,275,633	---	---
Thrfts	6,413,945	\$ 15,977	0.2%
	<u>\$ 17,689,578</u>	<u>\$ 15,977</u>	<u>0.1%</u>
	Philadelphia County Deposits (\$000)	Polonia's Deposits (\$000)	Polonia's Share (%)
Banks	\$ 22,324,630	---	---
Thrfts	13,198,749	\$ 115,524	0.9%
	<u>\$ 35,523,379</u>	<u>\$ 115,524</u>	<u>0.3%</u>

Source: FDIC

EXHIBIT 31

National Interest Rates by Quarter 2002 - First Quarter 2006

	1st Qtr. <u>2002</u>	2nd Qtr. <u>2002</u>	3rd Qtr. <u>2002</u>	4th Qtr. <u>2002</u>
Prime Rate	4.75%	4.75%	4.75%	4.25%
90-Day Treasury Bills	1.72%	1.68%	1.20%	1.05%
1-Year Treasury Bills	1.60%	1.59%	1.25%	1.14%
30-Year Treasury Notes	4.95%	4.94%	4.69%	4.58%

	1st Qtr. <u>2003</u>	2nd Qtr. <u>2003</u>	3rd Qtr. <u>2003</u>	4th Qtr. <u>2003</u>
Prime Rate	4.00%	4.00%	4.00%	4.00%
90-Day Treasury Bills	1.02%	1.00%	1.98%	0.94%
1-Year Treasury Bills	1.13%	1.12%	1.10%	1.11%
30-Year Treasury Notes	4.62%	4.70%	4.78%	4.85%

	1st Qtr. <u>2004</u>	2nd Qtr. <u>2004</u>	3rd Qtr. <u>2004</u>	4th Qtr. <u>2004</u>
Prime Rate	4.00%	4.25%	4.50%	5.00%
90-Day Treasury Bills	0.93%	1.33%	2.25%	2.72%
1-Year Treasury Bills	1.44%	1.82%	2.13%	2.89%
30-Year Treasury Notes	5.48%	6.13%	6.13%	6.25%

	1st Qtr. <u>2005</u>	2nd Qtr. <u>2005</u>	3rd Qtr. <u>2005</u>	4th Qtr. <u>2005</u>
Prime Rate	5.75%	6.00%	6.25%	6.75%
90-Day Treasury Bills	3.12%	3.46%	4.28%	4.71%
1-Year Treasury Bills	3.37%	3.99%	4.60%	4.93%
30-Year Treasury Notes	6.25%	5.38%	5.28%	5.19%

	1st Qtr. <u>2006</u>
Prime Rate	7.50%
90-Day Treasury Bills	4.87%
1-Year Treasury Bills	5.23%
30-Year Treasury Notes	5.26%

Source: The Wall Street Journal

THRIFT STOCK PRICES AND PRICING RATIOS
PUBLICLY-TRADED, FDIC-INSURED THRIFT INSTITUTIONS
(EXCLUDING MUTUAL HOLDING COMPANIES)
AS OF JUNE 1, 2006

PER SHARE															PRICING RATIOS				
	State	Exchange	Latest Price (\$)	All Time High (\$)	All Time Low (\$)	Monthly Change (%)	Quarterly Change (%)	Earnings (\$)	Assets (\$)	12 Month Div. (\$)	Price/Earnings (X)	Price/Bk. Value (%)	Price/Assets (%)	Price/Core Earnings (X)					
AKPB	AK	OTC BB	21.250	21.750	19.050	-2.30	4.17	1.24	273.18	0.32	18.16	79.95	7.78	16.27					
SIYF	AL	Pink Sheet	17.250	18.600	11.500	-4.17	15.00	NA	NA	0.35	NA	NA	NA	NA					
SRNN	AL	OTC BB	17.160	18.200	15.300	0.94	5.93	0.61	123.06	0.35	29.08	91.74	13.94	60.02					
SCBS	AL	Pink Sheet	7.000	10.000	6.300	0.00	-30.00	NA	NA	0.33	NA	NA	NA	NA					
SZBI	AL	OTC BB	14.000	14.000	11.250	7.28	18.64	0.94	195.20	0.40	14.89	96.15	7.08	15.61					
SUPR	AL	NASDAQ	11.600	12.000	10.050	3.66	0.52	0.05	70.59	0.00	220.11	220.11	16.26	137.69					
FFBH	AR	NASDAQ	23.400	25.950	21.160	-4.88	-1.47	1.57	174.50	0.52	15.50	151.75	13.41	16.20					
PFSL	AR	NASDAQ	12.390	15.450	11.700	-10.86	-3.58	0.71	158.92	0.32	17.45	111.22	7.80	21.06					
BOFI	CA	NASDAQ	7.700	10.050	6.270	-1.91	7.24	0.35	84.04	0.00	22.00	99.61	9.23	22.00					
BYFC	CA	NASDAQ	10.410	12.400	10.020	-2.25	-5.96	1.07	183.81	0.20	10.21	103.51	5.70	10.29					
CCBI	CA	NASDAQ	15.770	20.070	13.240	0.77	7.35	1.16	96.29	0.30	13.96	124.57	16.37	13.75					
DSL	CA	NYSE	69.890	80.840	55.060	-1.94	7.76	7.55	639.15	0.40	9.27	155.80	10.93	9.29					
FPTB	CA	NASDAQ	28.790	30.510	24.610	-1.67	-1.71	1.16	176.29	0.55	25.25	149.25	15.09	25.32					
FED	CA	NYSE	58.430	68.440	49.050	-5.30	-4.01	6.29	636.62	0.00	9.47	160.79	9.18	9.47					
GDW	CA	NYSE	74.310	76.570	55.400	6.68	4.85	4.97	413.40	0.28	15.17	253.53	17.97	15.20					
HWFG	CA	NASDAQ	16.200	17.590	14.790	-1.40	1.00	1.52	209.28	0.49	11.10	140.75	7.74	10.88					
NDE	CA	NYSE	47.010	50.500	34.400	-0.76	19.92	4.96	368.12	1.84	9.98	188.04	12.77	10.04					
MLGF	CA	OTC BB	12.500	15.000	11.500	-5.66	-2.72	NA	101.28	0.25	14.04	159.02	12.34	14.04					
PPBI	CA	NASDAQ	11.400	13.250	9.750	-3.72	-5.79	1.39	130.06	0.00	10.46	136.53	10.49	11.18					
PFB	CA	NYSE	34.950	35.300	27.010	2.58	10.74	2.13	177.55	0.62	16.64	235.35	19.68	16.84					
PROV	CA	NASDAQ	28.920	33.150	25.040	0.91	-4.59	3.27	220.52	0.57	9.30	149.77	13.11	11.54					
RMGC	CA	OTC BB	21.250	24.500	18.625	0.71	1.19	NA	NA	0.00	NA	NA	NA	NA					
SNLS	CA	OTC BB	13.750	21.750	13.050	-8.33	-10.71	NA	59.10	0.17	NA	243.36	23.26	NA					
HCBC	CO	Pink Sheet	20.950	33.500	20.000	4.75	-7.95	NA	225.58	0.28	NA	102.34	9.29	NA					
MTXC	CO	NASDAQ	23.300	24.800	12.000	1.75	1.00	0.39	283.97	0.00	40.17	164.55	8.20	NA					
NEBS	CT	NASDAQ	11.250	11.660	6.439	-1.14	4.17	0.27	48.22	0.09	43.27	105.83	23.33	NA					
NAL	CT	NYSE	14.230	15.100	13.620	-2.06	-0.84	0.49	62.51	0.22	28.04	117.90	22.77	27.65					
NMIL	CT	NASDAQ	40.210	40.210	27.620	0.78	32.01	2.14	215.53	0.82	18.79	313.16	18.65	19.26					
IFSB	DC	NASDAQ	10.810	12.850	9.800	-9.08	-10.51	-0.58	109.64	0.00	NM	116.99	9.86	NM					
WSFS	DE	NASDAQ	61.480	65.000	51.750	-1.88	0.79	4.27	446.99	0.28	15.18	220.28	13.75	14.93					
BBX	FL	NYSE	14.710	19.330	12.670	-1.67	5.45	0.76	103.72	0.11	20.43	173.26	14.22	17.01					
BKUNA	FL	NASDAQ	31.500	32.000	20.180	3.04	11.74	1.07	336.81	0.03	32.14	167.11	9.36	33.34					
BFCF	FL	NASDAQ	7.190	9.980	4.900	-8.06	17.87	0.16	204.03	0.00	32.68	157.59	3.53	NA					

THRIFT STOCK PRICES AND PRICING RATIOS
PUBLICLY-TRADED, FDIC-INSURED THRIFT INSTITUTIONS
(EXCLUDING MUTUAL HOLDING COMPANIES)
AS OF JUNE 1, 2006

PER SHARE													PRICING RATIOS								
	State	Exchange	Latest Price (\$)		All Time High (\$)		All Time Low (\$)		Monthly Change (%)		Quarterly Change (%)		Earnings (\$)		Assets (\$)		12 Month Div. (\$)		Price/ Earnings (X)	Price/ Assets (%)	Price/ Earnings (X)
FDT	FL	AMEX	11.250	12.451	9.657	-1.50	-5.94	0.54	87.97	0.14	21.63	210.67	12.77	21.88							
FFFL	FL	NASDAQ	33.140	35.050	24.510	5.07	1.63	1.35	168.45	0.32	25.11	286.18	19.68	25.11							
FCFL	FL	NASDAQ	20.250	22.250	16.360	-1.22	-2.41	0.89	90.22	0.00	24.40	252.51	22.45	24.40							
HARB	FL	NASDAQ	37.230	40.300	32.710	0.49	-2.41	2.10	133.46	0.88	18.07	265.17	27.89	18.08							
EBDC	GA	OTC BB	1.400	2.100	0.910	-17.65	-3.45	0.05	22.58	0.00	28.00	168.83	6.46	28.00							
NTBK	GA	NASDAQ	6.350	9.930	5.900	-7.16	-16.01	-0.20	96.48	0.08	NM	76.51	6.58	NM							
FFSX	IA	NASDAQ	22.050	22.900	17.300	0.23	-2.00	0.81	178.04	0.40	27.22	109.59	12.39	28.58							
HZFS	IA	OTC BB	13.550	15.500	13.550	-3.90	-8.23	-0.30	145.06	0.28	NM	91.80	9.34	NM							
CASH	IA	NASDAQ	22.500	28.100	16.510	0.00	8.17	-0.41	296.67	0.52	NM	134.49	7.58	NM							
FFFD	IA	NASDAQ	39.150	40.120	36.500	0.38	3.03	3.42	344.27	1.20	11.76	132.94	11.37	11.17							
AFBA	IL	OTC BB	16.450	19.500	15.600	-2.66	1.23	0.55	309.20	0.00	29.91	81.76	5.32	NA							
BFIN	IL	NASDAQ	16.040	16.410	12.990	1.26	-0.25	NA	67.16	NA	NA	117.80	23.88	NA							
BPLS	IL	Pink Sheet	14.100	16.981	13.443	-1.05	-2.76	0.97	205.78	0.00	14.54	95.02	6.87	14.54							
ESDF	IL	Pink Sheet	38.500	40.250	35.500	1.32	1.32	NA	NA	0.00	NA	NA	NA	NA							
FBTC	IL	NASDAQ	11.950	13.490	10.950	-0.78	-4.02	0.53	116.21	0.24	23.90	108.34	10.28	25.09							
FFBI	IL	NASDAQ	18.940	22.650	17.020	-5.30	1.23	0.69	281.68	0.48	29.14	104.30	8.29	36.27							
GTPS	IL	OTC BB	33.500	34.750	31.050	-2.19	3.88	2.24	209.38	0.44	15.44	133.59	16.00	15.44							
MAFB	IL	NASDAQ	44.320	45.000	39.140	0.32	1.89	3.22	340.70	0.94	14.03	140.70	13.01	14.05							
MCPH	IL	OTC BB	42.250	45.000	40.000	0.60	-3.98	3.29	354.25	0.86	12.84	119.86	11.93	15.70							
PFED	IL	NASDAQ	33.010	35.500	28.360	-2.91	-0.12	0.40	213.03	0.72	NM	118.61	14.76	117.02							
RYFL	IL	OTC BB	14.700	14.850	11.850	-0.34	1.73	NA	43.47	0.00	NA	117.49	33.81	NA							
UMBR	IL	Pink Sheet	0.190	1.010	0.190	-24.00	-36.67	NA	6.22	0.00	NA	NM	3.90	NA							
WFBS	IL	Pink Sheet	19.000	NA	NA	0.00	0.00	NA	NA	0.00	NA	NA	NA	NA							
WTWN	IL	Pink Sheet	13.000	16.550	13.000	-21.21	-21.21	NA	NA	0.00	NA	NA	NA	NA							
AMFC	IN	OTC BB	14.600	16.490	12.980	2.10	8.15	1.00	177.59	0.28	15.53	100.76	8.22	20.09							
ASBI	IN	NASDAQ	13.200	15.429	11.750	1.54	2.33	0.48	137.98	0.64	28.09	119.24	9.57	27.06							
BRBI	IN	NASDAQ	6.850	6.970	4.910	1.93	0.74	0.47	60.33	0.00	14.57	136.73	11.35	14.75							
CITZ	IN	NASDAQ	14.770	15.000	12.910	0.34	0.96	0.52	106.23	0.48	28.96	125.38	13.90	29.15							
CSCF	IN	OTC BB	22.150	22.150	20.000	8.05	9.38	0.08	262.44	0.30	NM	101.05	8.44	59.41							
DSFN	IN	OTC BB	13.100	15.000	10.500	10.08	0.77	0.55	61.37	0.52	23.82	125.43	21.35	26.95							
FFWC	IN	OTC BB	23.000	23.000	18.800	2.22	6.98	2.04	214.78	0.71	11.50	119.42	10.71	11.68							
FDLB	IN	Pink Sheet	15.500	15.500	14.000	0.00	-26.19	NA	NA	0.00	NA	NA	NA	NA							
FBEI	IN	NASDAQ	19.570	22.780	19.200	-5.50	-11.85	1.02	185.92	0.60	19.77	106.18	10.53	27.76							

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				High (\$)	Low (\$)														
FCAP	IN	NASDAQ	18.510	20.650	16.670	-2.17	-0.86	1.47	171.87	0.64	12.77	113.07	10.77	12.77					
HBB1	IN	OTC BB	41.900	42.300	22.300	-0.59	84.99	1.63	240.94	0.45	25.71	155.42	17.39	25.71					
HWEN	IN	Pink Sheet	5.250	9.000	4.100	5.00	10.53	0.27	55.81	0.12	19.44	95.80	9.40	20.01					
LNCB	IN	NASDAQ	17.960	19.000	15.020	-2.07	0.06	0.19	160.75	0.58	NM	97.29	11.17	40.16					
LOGN	IN	Pink Sheet	17.500	21.050	17.000	-2.78	0.57	1.41	178.92	0.58	12.59	88.50	9.78	11.27					
LSBI	IN	NASDAQ	27.620	31.270	24.952	-1.39	-7.90	2.22	241.44	0.63	12.61	127.16	11.39	NA					
MFBC	IN	NASDAQ	29.270	32.000	24.050	-4.78	-3.72	1.64	390.84	0.51	18.29	102.70	7.49	18.29					
MFSF	IN	NASDAQ	20.200	23.200	19.800	-4.45	-4.94	1.49	213.51	0.54	13.84	102.60	9.46	13.84					
NIDB	IN	OTC BB	17.200	20.160	15.000	-1.99	-1.15	0.22	167.26	0.62	NM	97.62	10.28	126.48					
NWIN	IN	OTC BB	31.050	35.100	29.100	-1.43	-1.27	2.42	220.44	1.34	12.94	183.73	14.09	13.01					
PFDC	IN	NASDAQ	20.080	22.250	19.211	-5.28	-6.60	1.11	149.68	0.75	18.09	103.61	13.41	17.65					
RIVR	IN	NASDAQ	19.000	22.060	17.900	-3.21	3.37	1.24	201.59	0.78	15.70	131.40	9.43	15.70					
TDCB	IN	OTC BB	11.600	13.800	10.750	4.50	-10.08	0.40	77.20	2.16	29.00	100.09	15.03	29.00					
FFSL	KS	OTC BB	19.950	21.030	19.100	3.37	3.10	1.27	201.97	0.65	15.71	110.40	9.88	16.53					
CKFB	KY	OTC BB	16.100	17.000	15.500	-2.42	0.00	1.24	121.43	0.68	9.82	127.98	13.26	13.05					
CFBC	KY	OTC BB	8.900	11.250	6.900	17.88	28.99	-1.56	247.71	0.00	NM	95.51	3.59	NM					
HFBC	KY	NASDAQ	16.500	17.100	14.910	4.43	3.13	1.19	177.94	0.48	13.87	120.97	9.28	14.75					
FPBF	LA	Pink Sheet	34.500	34.500	24.250	34.50	34.50	2.59	439.23	0.55	13.32	123.52	7.85	NA					
GLBP	LA	OTC BB	18.000	19.000	15.000	0.00	10.77	1.88	123.18	0.35	9.57	80.00	14.61	21.36					
GSLA	LA	NASDAQ	18.050	18.450	12.860	3.14	6.11	-2.78	138.11	0.40	NM	85.99	12.37	NM					
HSTD	LA	Pink Sheet	11.900	13.750	10.550	8.18	1.28	NA	191.76	0.24	NA	82.18	6.21	NA					
TSH	LA	AMEX	43.810	43.890	35.510	2.12	7.91	2.58	308.64	1.02	17.38	159.37	14.19	17.94					
BFBC	MA	NASDAQ	13.990	14.800	10.300	2.57	2.87	NA	105.56	0.09	NA	103.32	12.54	NA					
BHLB	MA	NASDAQ	35.130	36.080	31.150	4.03	6.10	0.96	239.09	0.54	39.03	122.02	14.69	20.71					
BRKL	MA	NASDAQ	14.890	16.710	13.763	0.54	-1.72	0.36	36.42	0.74	41.36	155.27	40.88	42.08					
CEBK	MA	NASDAQ	33.000	36.200	25.200	11.86	15.79	1.85	344.16	0.66	17.93	133.93	9.59	18.68					
HIFS	MA	NASDAQ	37.750	43.000	34.550	-5.03	-1.36	2.85	303.41	1.00	13.39	161.39	12.44	13.37					
LEGC	MA	NASDAQ	15.100	15.470	12.550	0.67	3.57	NA	76.98	0.03	NA	108.04	19.61	NA					
LSBX	MA	NASDAQ	17.090	19.240	15.960	-3.93	-2.34	0.80	120.56	0.56	21.63	138.27	14.17	36.18					
MASB	MA	NASDAQ	32.780	35.970	28.450	0.02	-0.88	1.71	205.49	1.06	19.40	136.41	15.95	20.65					
MFLR	MA	NASDAQ	13.000	17.500	12.720	-1.74	0.00	0.79	115.34	0.40	16.88	143.81	11.27	15.53					
ABKD	MD	OTC BB	12.500	12.820	9.250	6.28	19.05	1.48	97.02	0.00	8.74	131.90	12.88	8.74					
BUCS	MD	OTC BB	11.000	13.500	11.000	-2.22	-18.52	0.57	155.92	0.00	15.49	85.03	7.05	21.20					

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PCGO	MD	Pink Sheet	25.250	25.250	19.833	0.00	14.77	NA	NA	0.87	NA	NA	NA	NA				
SVBI	MD	NASDAQ	18.150	20.650	15.455	-10.15	-0.13	1.69	95.05	0.22	10.74	218.10	19.10	10.74				
WSB	MD	AMEX	8.600	10.000	7.700	-1.71	-0.12	0.76	63.37	0.00	12.11	108.59	13.57	12.68				
CTZN	MI	NASDAQ	27.710	32.430	19.900	-12.00	-1.91	1.16	209.65	0.36	24.31	137.04	13.69	25.25				
FFNM	MI	NASDAQ	9.900	10.000	8.650	3.61	3.66	0.18	92.09	0.20	55.00	84.17	10.75	27.44				
FBC	MI	NYSE	16.300	20.550	12.620	0.00	5.71	1.26	237.08	0.80	13.25	132.20	6.88	12.88				
MCBF	MI	NASDAQ	12.200	13.750	10.500	1.67	-1.21	0.54	105.91	0.22	22.59	80.96	11.52	23.04				
STBI	MI	Pink Sheet	11.550	13.950	10.600	-3.75	-6.85	1.14	123.96	0.39	10.13	107.14	9.32	10.13				
HMFN	MN	NASDAQ	33.870	34.990	28.140	0.09	5.02	2.86	224.34	0.94	12.36	161.36	15.10	12.26				
REDW	MN	Pink Sheet	19.500	21.250	19.500	-4.88	-2.50	0.58	167.41	0.00	35.45	112.00	11.65	35.83				
WEFP	MN	OTC BB	28.900	33.000	27.000	0.00	-1.20	1.95	278.41	0.98	15.37	116.39	10.38	16.48				
GCFC	MO	OTC BB	15.000	15.900	14.100	0.00	-4.76	0.12	102.21	0.00	NM	98.30	14.67	125.00				
FBSI	MO	NASDAQ	16.750	20.230	15.950	-1.85	-4.29	-0.17	153.04	0.16	NM	96.88	10.94	NM				
LXMO	MO	Pink Sheet	24.400	25.700	21.750	0.21	1.46	NA	NA	0.60	18.07	NA	NA	18.07				
MCMH	MO	Pink Sheet	20.500	28.000	19.000	0.00	3.02	NA	NA	0.00	NA	NA	NA	NA				
NASB	MO	NASDAQ	34.560	45.380	28.500	3.32	-3.33	2.70	184.18	1.13	12.85	191.47	18.77	12.85				
PULB	MO	NASDAQ	16.560	19.240	15.050	-0.96	1.28	0.98	91.83	0.32	18.20	226.85	18.02	22.39				
CSBC	NC	NASDAQ	12.500	12.800	11.410	1.21	2.54	0.48	84.83	0.28	26.04	122.43	14.76	24.22				
CDLX	NC	Pink Sheet	34.500	35.800	32.400	0.00	-1.15	1.16	217.46	1.75	34.16	104.46	15.87	30.04				
KSBI	NC	OTC BB	23.500	26.000	17.550	-4.08	11.90	1.32	207.50	0.52	17.80	194.26	11.33	17.75				
MTUC	NC	OTC BB	11.000	13.900	10.550	-18.52	-10.20	-1.68	236.59	0.00	NM	58.87	4.65	NM				
SSFC	NC	NASDAQ	9.300	10.100	8.420	3.33	0.54	0.55	88.49	0.40	16.91	106.88	10.75	16.41				
TONET	NE	NASDAQ	33.980	35.600	23.880	3.25	3.31	2.14	181.98	0.24	16.42	193.23	18.68	16.43				
NHTB	NH	NASDAQ	16.000	16.500	12.500	0.95	3.56	1.34	150.81	0.50	12.12	144.01	10.61	12.19				
SWGK	NH	Pink Sheet	34.000	34.000	17.750	72.15	91.01	NA	NA	0.00	NA	NA	NA	NA				
ABNJ	NJ	NASDAQ	11.450	11.690	8.526	0.79	5.24	0.16	36.44	0.15	NM	126.13	31.43	61.80				
FNSW	NJ	OTC BB	25.000	29.000	18.250	0.00	6.38	0.40	162.30	0.10	65.79	179.60	15.41	67.73				
FMCO	NJ	NASDAQ	18.520	19.960	13.030	3.46	-0.80	0.97	188.22	0.12	19.09	160.62	9.84	19.09				
HCBK	NJ	NASDAQ	13.960	14.000	10.368	3.87	5.68	0.51	51.06	0.28	27.92	148.35	25.56	27.92				
OCFC	NJ	NASDAQ	22.390	25.300	21.340	0.04	-5.69	1.60	160.75	0.80	14.35	205.98	13.93	14.42				
PBCI	NJ	NASDAQ	20.050	24.000	19.210	1.42	-0.27	1.56	129.81	0.89	12.94	168.35	15.44	13.04				
PFSB	NJ	NASDAQ	18.850	20.280	14.200	5.60	-0.11	1.10	173.55	0.28	17.62	196.56	10.86	17.14				
PFS	NJ	NYSE	18.500	19.160	16.270	1.59	-1.02	0.89	87.76	0.34	21.02	117.53	21.08	21.13				

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RBLG	NJ	OTC BB	10.800	10.880	9.450	0.00	3.35	0.31	67.93	0.10	34.84	115.26	15.89	34.84
SYNF	NJ	NASDAQ	14.620	15.400	11.320	-2.66	8.30	0.41	86.19	0.20	36.55	176.78	16.97	36.41
FFSW	NM	NASDAQ	15.500	20.000	14.000	-1.90	1.97	1.32	138.90	0.26	12.02	119.89	11.16	12.02
AF	NY	NYSE	31.000	31.950	24.430	0.62	6.31	2.23	218.17	0.84	14.22	228.45	13.45	13.99
ALFC	NY	NASDAQ	24.100	30.000	20.800	1.28	3.12	0.17	105.87	0.31	NM	143.70	22.76	23.54
CNY	NY	AMEX	16.700	18.060	15.000	-5.38	3.73	1.50	263.68	0.31	11.36	85.97	6.33	10.46
DCOM	NY	NASDAQ	14.380	16.660	13.210	1.48	3.45	0.97	84.95	0.56	15.14	181.57	16.93	13.95
ESBK	NY	NASDAQ	28.000	28.500	25.480	3.59	4.55	2.33	277.95	0.80	12.12	146.83	10.07	14.25
ESLB	NY	Pink Sheet	49.250	50.000	29.250	1.55	28.76	NA	NA	NA	NA	NA	NA	NA
FNFG	NY	NASDAQ	14.330	15.160	13.000	2.95	-1.58	0.87	72.29	0.40	16.68	112.92	19.11	16.82
FFIC	NY	NASDAQ	17.230	19.650	13.950	4.81	3.67	1.33	124.22	0.41	13.15	186.87	13.87	12.74
GLK	NY	NYSE	17.370	21.140	15.230	-15.56	2.48	NA	NA	NA	NA	NA	NA	NA
NYB	NY	NYSE	16.850	19.050	15.690	-0.82	-1.98	1.02	100.37	1.00	16.52	136.00	16.66	15.17
PRTR	NY	NASDAQ	11.710	12.790	10.100	0.77	-2.82	0.68	82.15	0.28	17.48	107.83	14.52	17.64
PBNY	NY	NASDAQ	13.150	13.400	10.470	1.08	8.59	0.50	64.72	0.19	26.84	144.03	20.32	26.55
ROME	NY	NASDAQ	12.870	12.950	9.550	2.31	9.53	0.39	32.28	0.27	33.87	133.09	39.86	35.47
SFFS	NY	NASDAQ	20.740	20.750	15.280	0.92	2.02	0.36	94.81	0.29	59.26	198.85	21.88	57.33
TRST	NY	NASDAQ	11.090	13.660	10.760	-3.06	-11.98	0.78	39.19	0.62	14.79	374.19	28.30	15.52
ASBN	OH	Pink Sheet	20.750	25.000	19.000	0.00	1.22	1.27	111.06	0.63	16.47	209.50	18.68	16.47
CFBK	OH	NASDAQ	7.560	10.490	7.070	2.16	-3.08	-1.41	43.28	0.36	NM	114.72	17.47	NM
CIBN	OH	Pink Sheet	14.250	14.950	12.000	0.00	0.35	NA	NA	0.37	NA	NA	NA	NA
FFDF	OH	NASDAQ	18.500	22.460	14.360	-10.63	-11.58	1.14	130.64	0.46	16.67	122.20	14.16	20.06
FDEF	OH	NASDAQ	27.920	31.440	25.080	-0.18	-0.21	1.88	206.02	0.92	15.43	129.80	13.53	14.04
FFHS	OH	NASDAQ	15.750	17.930	15.250	-6.53	-2.17	0.76	179.11	0.34	21.00	106.64	8.79	31.84
FNFI	OH	NASDAQ	14.000	18.000	12.000	-2.78	-2.78	0.79	71.72	0.64	17.95	120.07	19.52	26.97
FPFC	OH	NASDAQ	23.910	25.940	19.050	5.61	-2.96	1.69	174.89	0.56	14.32	143.60	13.67	13.94
HCFC	OH	NASDAQ	15.250	16.650	14.220	0.00	-1.88	1.03	180.18	0.44	14.95	93.72	8.46	20.45
HLFN	OH	Pink Sheet	15.250	19.830	13.250	1.67	2.35	0.34	106.47	0.80	44.85	123.38	14.32	44.85
IDVB	OH	OTC BB	18.500	22.500	16.750	0.82	5.41	0.50	250.80	0.28	37.76	93.62	6.95	36.06
NLVS	OH	OTC BB	27.250	31.000	16.300	1.68	-0.91	0.91	138.72	1.00	29.95	155.01	19.65	26.43
OCFL	OH	OTC BB	11.680	12.100	11.270	-1.02	1.57	-0.43	126.68	0.00	NM	90.31	9.22	NM
OHSF	OH	Pink Sheet	NA	NA	NA	0.00	21.79	NA	NA	0.00	NA	NA	NA	NA
PCBI	OH	NASDAQ	19.951	22.355	19.010	3.59	-4.30	0.62	239.37	0.60	32.71	101.99	8.33	24.17

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POHF	OH	OTC BB	5.500	5.550	3.800	1.85	1.85	0.27	28.10	0.14	21.15	156.10	19.57	22.01
PSFC	OH	Pink Sheet	15.000	18.240	13.030	0.00	-0.66	0.71	98.41	0.71	21.13	121.43	15.24	21.13
PFOH	OH	OTC BB	23.500	29.000	23.100	-3.09	-10.48	2.00	151.25	0.97	11.75	105.91	15.54	12.28
PVFC	OH	NASDAQ	10.000	13.750	9.700	0.00	-4.49	0.67	115.67	0.29	15.15	112.94	8.64	15.15
UCFC	OH	NASDAQ	12.080	13.330	10.280	2.11	-3.05	0.85	83.48	0.34	14.38	139.65	14.47	14.36
WAYN	OH	NASDAQ	15.110	16.500	13.830	-0.07	0.67	0.50	120.49	0.48	30.22	142.44	12.54	26.96
ESBF	PA	NASDAQ	12.010	13.840	10.810	-1.15	2.21	0.71	142.53	0.40	17.41	128.86	8.43	15.44
FSBI	PA	NASDAQ	19.070	21.900	17.750	-0.94	-1.19	1.31	239.07	0.51	15.13	134.49	7.98	16.20
FKFS	PA	NASDAQ	19.000	22.000	17.190	-9.22	-3.31	-0.05	256.80	0.33	NM	140.74	7.40	NM
FSSB	PA	NASDAQ	34.500	42.000	34.500	-1.43	-4.83	4.93	991.39	0.02	7.00	64.65	3.48	NA
HARL	PA	Pink Sheet	17.240	18.750	17.000	-1.26	-1.49	1.22	199.22	0.62	14.25	138.92	8.65	14.33
KNBT	PA	NASDAQ	16.750	17.020	14.150	1.58	3.84	0.75	103.06	0.26	22.64	128.55	15.41	27.16
LARL	PA	NASDAQ	27.640	27.640	19.820	0.40	36.06	1.01	157.84	0.80	27.64	197.85	17.52	27.78
PVSA	PA	NASDAQ	29.110	30.100	26.350	2.50	3.23	2.32	326.77	0.80	12.66	137.05	8.91	12.72
RSVI	PA	OTC BB	27.970	28.500	16.800	0.25	28.60	NA	141.49	0.30	30.40	154.27	19.77	37.48
SEFL	PA	OTC BB	13.000	14.240	12.300	1.56	-1.29	0.21	65.50	0.11	61.90	100.23	16.41	64.66
SOV	PA	NYSE	22.330	24.790	20.360	1.68	6.13	1.85	179.82	0.24	12.62	135.99	12.33	13.06
THRD	PA	NASDAQ	28.820	30.990	27.000	-2.31	-5.45	2.19	234.51	0.73	13.53	124.92	11.52	13.53
WGBC	PA	NASDAQ	17.140	18.360	14.160	-1.89	0.82	0.82	108.29	0.48	21.42	125.62	15.83	18.30
WVFC	PA	NASDAQ	16.750	18.080	15.660	-2.80	0.90	1.23	192.02	0.64	13.62	134.75	8.72	13.71
CFCP	SC	NASDAQ	13.300	14.920	12.230	1.22	-4.32	0.94	83.95	0.19	14.94	259.77	15.83	14.54
FCPB	SC	Pink Sheet	11.000	14.000	9.000	-21.43	15.18	NA	89.64	0.00	NA	133.62	12.27	NA
FFCH	SC	NASDAQ	32.380	33.870	27.450	2.73	1.82	2.21	215.48	0.94	14.92	223.93	15.03	15.31
PEDE	SC	NASDAQ	15.180	17.000	14.250	-2.06	-3.56	0.81	119.36	0.64	18.74	103.27	12.71	18.51
SFDL	SC	OTC BB	23.400	32.000	20.650	-1.47	-1.89	1.52	247.91	0.15	15.50	160.60	9.44	15.84
HFFC	SD	NASDAQ	17.450	22.273	15.455	5.12	0.76	1.10	233.79	0.40	16.31	123.50	7.47	36.27
JFBI	TN	NASDAQ	13.150	14.120	12.580	1.65	-2.52	0.42	46.66	0.28	31.31	116.62	28.18	31.22
SCYT	TN	OTC BB	32.250	34.000	27.000	3.70	11.21	NA	NA	NA	NA	NA	NA	NA
SFBK	TN	Pink Sheet	20.570	22.500	20.050	-1.81	-1.58	1.74	130.14	0.20	12.17	79.27	15.81	17.11
SFKT	TN	Pink Sheet	24.600	25.500	24.600	0.00	0.00	3.15	309.66	0.00	8.95	128.72	7.94	15.52
UNTN	TN	OTC BB	24.500	26.000	20.060	-5.77	13.69	1.37	NA	0.44	18.42	NA	NA	25.45
BAFI	TX	Pink Sheet	26.500	NA	NA	0.00	0.00	NA	364.30	0.36	NA	83.72	7.27	NA
ETFS	TX	OTC BB	15.100	20.000	14.500	1.34	-0.33	NA	179.28	0.20	NA	92.74	8.42	NA

THRIFT STOCK PRICES AND PRICING RATIOS
PUBLICLY-TRADED, FDIC-INSURED THRIFT INSTITUTIONS
(EXCLUDING MUTUAL HOLDING COMPANIES)
AS OF JUNE 1, 2006

			PER SHARE								PRICING RATIOS			
	State	Exchange	Latest Price (\$)	All Time High (\$)	All Time Low (\$)	Monthly Change (%)	Quarterly Change (%)	Earnings (\$)	Assets (\$)	12 Month Div. (\$)	Price/Earnings (X)	Price/Bk. Value (%)	Price/Assets (%)	Price/Core Earnings (X)
FBTX	TX	NASDAQ	20.140	20.230	14.660	3.98	16.35	1.12	203.77	0.00	18.31	139.09	9.88	18.77
CFCC	VA	NASDAQ	22.450	24.000	19.140	0.72	0.94	2.02	198.36	0.44	11.57	137.73	11.31	11.95
GAFC	VA	NASDAQ	5.450	6.140	4.600	2.83	-2.68	-1.79	105.32	0.00	NM	135.24	5.17	NM
VSBR	VA	Pink Sheet	26.000	26.000	21.000	0.00	0.00	NA	NA	NA	NA	200.40	13.85	NA
FMSB	WA	NASDAQ	26.100	26.950	24.030	0.27	3.08	1.96	204.19	1.39	13.81	223.65	12.79	13.81
FBNW	WA	NASDAQ	20.990	21.000	13.000	11.95	13.40	1.45	139.76	0.37	14.89	160.57	15.02	14.89
RPFG	WA	NASDAQ	17.880	17.900	14.260	0.73	12.45	0.42	134.36	0.24	42.57	129.57	12.29	42.56
RVSB	WA	NASDAQ	25.080	28.112	20.250	-7.22	-6.49	1.74	132.32	0.68	14.57	157.81	18.94	14.82
TSBK	WA	NASDAQ	31.510	32.680	22.250	8.43	18.01	2.19	147.68	0.63	15.00	153.04	21.34	15.03
WFSL	WA	NASDAQ	23.290	25.070	21.110	-1.31	-2.10	1.64	98.49	0.80	14.47	167.07	23.65	14.46
WM	WA	NYSE	48.480	47.010	36.840	3.68	8.34	3.82	363.64	1.94	12.56	169.33	12.70	12.93
ABCW	WI	NASDAQ	30.410	32.980	27.630	5.15	-0.30	2.07	195.62	0.62	14.98	207.01	15.54	15.04
BKMU	WI	NASDAQ	11.980	12.000	10.000	6.77	3.72	0.42	56.98	0.26	29.22	137.86	21.02	30.13
SVBC	WV	Pink Sheet	18.000	20.000	16.500	0.00	-1.37	NA	NA	0.52	NA	NA	NA	NA
CRZY	WY	Pink Sheet	16.250	25.000	14.150	-1.52	10.17	NA	155.22	0.48	NA	103.74	10.47	NA

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	State	Exchange	PER SHARE						PRICING RATIOS					
			Latest Price (\$)	All Time		Monthly Change (%)	Quarterly Change (%)	Earnings (\$)	Assets (\$)	12 Month Div. (\$)	Price/Earnings (X)	Price/Bk. Value (%)	Price/Assets (%)	Price/Core Earnings (X)
				High (\$)	Low (\$)									
ALL THRIFTS														
AVERAGE			20.872	23.080	17.584	-0.01	2.45	1.19	174.49	0.43	20.14	139.39	13.53	23.83
MEDIAN			17.980	20.230	15.280	0.00	0.76	1.02	156.88	0.36	16.58	129.69	12.71	17.64
HIGH			74.310	80.840	55.400	72.15	91.01	7.55	991.39	2.16	65.79	374.19	40.88	137.69
LOW			0.190	1.010	0.190	-24.00	-36.67	-2.79	6.22	0.00	7.00	58.87	3.48	8.74
AVERAGE FOR STATE														
PA			21.524	23.429	18.846	-0.94	4.59	1.42	238.45	0.45	20.79	131.92	11.60	22.86
AVERAGE BY REGION														
MIDWEST			19.607	22.017	17.122	-0.43	0.28	1.01	169.76	0.48	20.03	122.75	12.52	26.30
NEW ENGLAND			23.459	25.174	18.755	5.69	10.85	1.23	155.70	0.48	24.80	144.72	17.42	22.63
MID ATLANTIC			20.044	21.771	16.800	-0.47	3.23	1.14	163.00	0.39	21.38	151.23	15.33	23.24
SOUTHEAST			18.253	20.179	15.557	-2.13	1.14	0.86	149.84	0.32	20.83	156.50	12.88	26.89
SOUTHWEST			22.523	24.792	17.333	5.26	6.51	1.01	236.07	0.33	18.46	112.13	9.95	17.52
WEST			28.337	31.475	23.023	-0.36	3.57	2.51	223.68	0.51	15.38	158.46	13.86	15.46
AVERAGE BY EXCHANGE														
NYSE			34.454	37.838	27.746	-0.91	4.99	2.94	275.84	0.65	15.40	169.55	14.66	14.97
AMEX			20.090	21.100	16.967	-1.62	1.40	1.35	180.91	0.37	15.62	141.15	11.72	15.74
NASDAQ			20.053	22.050	16.965	-0.14	1.12	1.06	159.18	0.45	20.31	148.13	14.25	22.91
OTC			19.062	21.234	16.217	-0.24	4.74	0.85	164.74	0.39	22.81	121.73	12.78	32.13
Pink Sheets			20.493	23.150	17.322	1.21	3.22	1.56	219.39	0.32	19.16	113.65	10.47	21.25

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AS OF JUNE 1, 2006

	State	ASSETS AND EQUITY			PROFITABILITY			CAPITAL ISSUES				
		Total Assets (\$000)	Total Equity (\$000)	Tang. Equity (\$000)	ROAA (%)	Core ROAA (%)	ROAE (%)	Core ROAE (%)	IPO Date	Exchange	Number of Shares Outstg.	Mkt. Value of Shares (\$M)
AKPB	AK	171,828	16,700	16,676	0.44	0.49	4.61	5.16	07/01/99	OTC BB	628,254	13.35
SIYF	AL	69,188	11,023	11,023	1.02	1.02	7.21	7.21	04/03/95	Pink Sheet	NA	11.71
SRNN	AL	102,884	15,638	15,638	0.48	0.23	3.05	1.46	10/05/95	OTC BB	836,016	14.05
SCBS	AL	63,522	7,314	7,314	0.68	0.71	6.22	6.50	12/23/96	Pink Sheet	NA	4.78
SZBI	AL	140,167	10,317	9,773	0.48	0.46	6.59	6.29	02/14/95	OTC BB	718,073	10.05
SUPR	AL	1,431,987	105,803	93,785	0.23	0.15	3.13	2.01	12/10/98	NASDAQ	20,287,060	235.33
FFBH	AR	876,632	77,468	77,468	0.95	0.80	10.34	9.89	05/03/98	NASDAQ	5,023,692	117.55
PFSL	AR	737,674	51,709	38,024	0.43	0.36	6.08	5.04	04/01/98	NASDAQ	4,841,717	57.51
BOFI	CA	704,667	69,944	69,944	0.52	0.52	4.72	4.72	03/15/05	NASDAQ	8,384,812	64.97
BYFC	CA	285,506	17,191	17,191	0.58	0.57	10.50	10.42	01/09/98	NASDAQ	1,554,971	15.58
CCBI	CA	5,744,293	755,055	325,822	1.23	1.24	9.40	9.54	12/18/02	NASDAQ	59,655,045	942.76
DSL	CA	17,802,759	1,249,403	1,246,253	1.24	1.24	18.13	18.08	01/01/71	NYSE	27,853,783	1946.70
FPTB	CA	777,397	78,591	78,591	0.65	0.65	6.08	6.07	08/23/02	NASDAQ	4,409,662	126.65
FED	CA	10,569,288	603,250	600,411	1.07	1.07	19.16	19.16	12/16/83	NYSE	16,602,270	970.15
GDW	CA	127,556,456	9,042,960	9,042,960	1.26	1.26	18.42	18.38	05/29/59	NYSE	308,553,361	22931.10
HWFG	CA	1,134,053	62,358	55,738	0.73	0.74	14.14	14.41	11/07/02	NASDAQ	5,418,843	88.25
NDE	CA	24,203,247	1,643,542	1,562,830	1.35	1.34	21.69	21.57	11/10/86	NYSE	65,747,783	3080.30
MLGF	CA	580,542	45,059	45,059	0.96	0.96	12.10	12.10	NA	OTC BB	5,732,311	71.65
PPBI	CA	684,901	52,628	52,628	1.14	1.07	14.81	13.87	06/25/97	NASDAQ	5,265,988	60.03
PFB	CA	4,348,805	363,731	362,464	1.30	1.28	14.96	14.79	03/29/96	NYSE	24,493,472	856.05
PROV	CA	1,563,295	136,885	136,838	1.36	1.10	16.95	13.71	06/28/96	NASDAQ	7,089,006	205.98
RMGC	CA	611,650	47,418	47,207	0.85	0.82	10.70	7.78	NA	OTC BB	NA	NA
SNLS	CA	256,456	24,507	24,507	2.04	2.04	21.37	21.37	NA	OTC BB	4,339,427	59.67
HCBC	CO	195,184	17,712	17,712	0.44	NA	4.97	NA	12/10/97	Pink Sheet	865,241	18.13
MTXC	CO	2,145,863	106,986	106,986	0.20	NA	3.92	NA	10/18/96	NASDAQ	7,556,573	176.07
NEBS	CT	257,799	58,821	55,044	0.57	NA	3.63	NA	12/29/05	NASDAQ	5,346,000	60.14
NAL	CT	6,881,875	1,329,014	818,558	0.76	0.80	3.63	3.81	04/02/04	NYSE	110,090,826	1566.59
NMIL	CT	877,774	52,272	44,203	1.07	1.04	16.58	16.17	02/01/86	NASDAQ	4,072,547	163.76
IFSB	DC	170,205	14,348	14,348	-0.55	-0.55	-5.62	-5.62	08/08/85	NASDAQ	1,552,448	16.78
WSFS	DE	2,952,861	184,349	182,869	1.04	1.05	15.32	15.57	11/26/88	NASDAQ	8,606,151	406.33
BBX	FL	6,357,602	521,770	437,101	0.70	0.81	8.93	10.29	11/29/83	NYSE	61,293,692	832.41
BKUNA	FL	12,208,421	690,531	662,178	0.33	0.33	6.50	6.36	12/11/85	NASDAQ	36,246,717	1131.13
BFCF	FL	7,307,490	178,402	92,426	0.11	NA	4.70	NA	NA	NASDAQ	35,816,450	257.59

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	State	ASSETS AND EQUITY			PROFITABILITY				CAPITAL ISSUES			
		Total Assets (\$000)	Total Equity (\$000)	Tang. Equity (\$000)	ROAA (%)	Core ROAA (%)	ROAE (%)	Core ROAE (%)	IPO Date	Exchange	Number of Shares Outstg.	Mkt. Value of Shares (\$M)
FDT	FL	744,726	45,150	45,150	0.62	0.61	10.25	10.14	12/12/97	AMEX	8,465,330	104.99
FFFL	FL	4,240,091	291,549	270,956	0.84	0.84	11.87	11.87	05/15/01	NASDAQ	25,171,641	834.27
FCFL	FL	342,525	30,448	30,020	1.03	1.03	11.50	11.50	05/31/03	NASDAQ	3,798,750	76.88
HARB	FL	3,213,758	338,063	334,145	1.60	1.60	15.16	15.16	03/19/98	NASDAQ	24,080,316	897.36
EBDC	GA	145,794	11,112	11,112	0.57	0.57	7.20	7.20	07/06/98	OTC BB	6,463,879	9.05
NTBK	GA	4,468,851	384,417	299,499	-0.18	-0.21	-2.27	-2.62	07/29/97	NASDAQ	46,320,313	294.23
FFSX	IA	600,728	67,925	49,373	0.47	0.45	3.84	3.88	04/14/99	NASDAQ	3,374,109	74.44
HZFS	IA	113,068	11,502	11,502	-0.22	-0.18	-2.17	-1.84	06/30/94	OTC BB	779,431	10.56
CASH	IA	745,440	42,038	38,635	-0.13	-0.10	-2.30	-1.78	09/20/93	NASDAQ	2,512,855	56.53
FFFD	IA	492,329	42,112	37,141	1.07	1.13	11.85	12.48	03/21/96	NASDAQ	1,430,053	55.99
AFBA	IL	158,102	10,288	9,769	0.19	NA	2.73	NA	12/31/01	OTC BB	511,318	8.41
BFIN	IL	1,643,121	333,128	314,408	0.78	0.77	4.56	4.53	06/24/05	NASDAQ	24,466,250	392.44
BPLS	IL	303,301	22,872	22,872	0.49	0.49	6.80	6.80	07/10/91	Pink Sheet	1,473,914	20.78
ESDF	IL	132,163	11,797	11,797	0.28	0.26	2.84	2.84	11/01/91	Pink Sheet	NA	11.03
FBTC	IL	275,124	26,103	25,094	0.47	0.45	4.44	4.22	04/19/01	NASDAQ	2,367,450	28.08
FFBI	IL	349,915	21,097	19,559	0.23	0.19	3.52	2.82	09/28/00	NASDAQ	1,242,284	23.53
GTFS	IL	144,846	17,348	16,863	1.07	1.07	8.98	8.98	06/30/95	OTC BB	691,786	23.17
MAFB	IL	11,534,082	1,066,304	655,608	1.01	1.00	10.84	10.62	01/12/80	NASDAQ	33,854,382	1500.43
MCPH	IL	131,992	13,134	13,134	0.91	0.74	9.60	7.85	06/30/93	OTC BB	372,600	15.74
PFED	IL	239,721	29,839	29,839	0.17	0.13	1.41	1.09	08/12/98	NASDAQ	1,125,275	37.15
RYFL	IL	113,761	32,740	32,740	-0.11	-0.08	-0.36	-0.27	01/21/05	OTC BB	2,618,800	38.47
UMBR	IL	46,833	-9,205	-9,224	-6.27	-5.11	-145.30	-118.41	NA	Pink Sheet	7,528,631	1.55
WFBS	IL	65,450	6,119	6,119	1.63	1.63	17.28	17.28	03/01/95	Pink Sheet	NA	2.61
WTWN	IL	54,811	3,333	3,333	0.58	0.58	9.48	9.48	03/01/95	Pink Sheet	NA	2.67
AMFC	IN	176,735	14,422	14,422	0.58	0.45	6.84	5.30	04/01/96	OTC BB	995,186	14.53
ASBI	IN	443,245	35,573	34,730	0.35	0.36	4.03	4.18	03/02/87	NASDAQ	3,212,452	42.40
BRBI	IN	211,576	17,563	14,111	0.74	0.73	9.49	9.38	06/24/98	NASDAQ	3,507,150	24.02
CITZ	IN	1,264,491	140,173	138,825	0.48	0.48	4.20	4.18	07/24/98	NASDAQ	11,903,644	171.81
CSFC	IN	145,771	12,175	12,175	0.02	0.12	0.30	1.57	12/28/01	OTC BB	555,450	12.30
DSFN	IN	100,902	17,173	17,173	0.92	0.81	5.11	4.50	07/30/04	OTC BB	1,644,242	22.10
FFWC	IN	269,412	24,160	22,911	0.99	0.97	10.81	10.64	04/05/93	OTC BB	1,254,381	28.38
FDLB	IN	213,308	17,267	17,267	0.61	0.55	7.22	6.51	08/31/87	Pink Sheet	NA	11.97
FBEI	IN	288,868	28,637	26,745	0.55	0.39	5.24	3.72	04/07/99	NASDAQ	1,553,748	30.44

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	State	ASSETS AND EQUITY				PROFITABILITY				CAPITAL ISSUES			
		Total Assets (\$000)	Total Equity (\$000)	Tang. Equity (\$000)	Total	ROAA (%)	Core ROAA (%)	ROAE (%)	Core ROAE (%)	IPO Date	Exchange	Number of Shares Outslg.	Mkt. Value of Shares (\$M)
FCAP	IN	444,804	42,362		36,531	0.87	0.87	9.02	9.02	01/04/99	NASDAQ	2,588,029	47.90
HBBI	IN	60,379	6,756		6,756	0.70	0.70	6.79	6.79	02/08/95	OTC BB	250,598	10.50
HWEN	IN	75,598	7,416		7,416	0.48	0.47	5.00	4.87	07/02/96	Pink Sheet	1,354,450	7.11
LNCB	IN	867,869	99,659		72,617	0.12	0.27	0.98	2.24	12/30/98	NASDAQ	5,398,828	98.96
LOGN	IN	157,123	17,364		17,364	0.77	0.86	7.05	7.91	06/14/95	Pink Sheet	878,165	15.37
LSBI	IN	371,770	33,310		33,310	0.92	NA	10.46	NA	02/03/95	NASDAQ	1,539,808	42.42
MFBC	IN	525,316	38,303		34,417	0.42	0.42	5.87	5.87	03/25/94	NASDAQ	1,344,060	39.34
MFSF	IN	993,678	88,858		74,942	0.70	0.70	7.27	7.27	12/30/99	NASDAQ	4,513,476	90.73
NIDB	IN	232,332	24,474		24,009	0.13	0.09	1.25	0.83	06/28/95	OTC BB	1,389,059	23.75
NWIN	IN	615,192	47,164		47,164	1.13	1.12	14.62	14.54	NA	OTC BB	2,780,708	86.65
PFDC	IN	493,954	63,942		61,347	0.75	0.77	5.88	5.83	07/07/87	NASDAQ	3,299,963	65.49
RIVR	IN	322,708	23,156		23,125	0.63	0.63	8.59	8.59	12/20/96	NASDAQ	1,600,779	30.41
TDCB	IN	127,627	19,159		19,159	0.47	0.47	2.72	2.72	06/30/04	OTC BB	1,653,125	19.18
FFSL	IN	178,562	16,066		16,066	0.65	0.62	7.31	6.95	10/08/93	OTC BB	889,039	17.74
CKFB	IN	182,885	16,880		15,780	1.42	1.06	13.25	9.92	01/04/95	OTC BB	1,341,408	21.60
CFBC	IN	72,468	2,728		2,726	-0.62	-0.62	-15.34	-15.34	06/27/03	OTC BB	292,546	2.65
FPBF	IN	649,306	49,786		44,815	0.70	0.66	8.70	8.18	02/09/98	NASDAQ	3,649,078	60.21
FPBF	IN	122,369	7,781		7,781	0.64	0.42	8.90	5.93	07/01/99	Pink Sheet	278,600	9.61
GLBP	LA	31,202	5,700		5,700	1.47	0.66	8.43	3.78	07/10/01	OTC BB	253,300	4.56
GSIA	LA	176,758	25,419		25,419	-1.80	-1.28	-11.79	-8.37	04/01/97	NASDAQ	1,279,806	23.10
HSTD	LA	134,114	10,127		10,127	0.24	0.24	3.09	3.04	07/20/98	Pink Sheet	699,372	8.32
TSH	LA	696,418	62,030		58,103	0.85	0.82	9.47	9.17	04/19/95	AMEX	2,256,441	98.70
BFBC	MA	896,078	108,759		71,164	0.16	0.54	1.27	4.30	04/05/05	NASDAQ	8,488,898	118.76
BLBL	MA	2,056,333	247,637		148,474	0.51	0.76	4.34	6.46	06/28/00	NASDAQ	8,600,518	302.42
BRKL	MA	2,243,080	590,540		545,980	0.99	0.97	3.62	3.56	07/10/02	NASDAQ	61,583,773	916.98
CEBK	MA	547,275	39,189		36,957	0.49	0.47	6.78	6.51	10/24/86	NASDAQ	1,590,181	52.48
HIFS	MA	642,097	49,507		49,507	0.99	1.00	12.46	12.48	12/20/88	NASDAQ	2,116,250	79.89
LEGC	MA	793,519	146,766		143,681	-0.28	-0.35	-2.12	-2.65	10/26/05	NASDAQ	10,308,600	155.66
LSBX	MA	545,847	55,953		55,953	0.66	0.39	6.05	3.59	05/02/88	NASDAQ	4,527,817	77.48
MASB	MA	890,509	104,121		103,031	0.82	0.77	7.02	6.59	05/28/86	NASDAQ	4,333,629	142.01
MFLR	MA	238,975	18,721		18,653	0.68	0.75	8.73	9.59	12/23/87	NASDAQ	2,071,962	26.94
ABKD	MD	308,489	29,937		29,937	1.08	1.08	15.22	15.22	NA	OTC BB	3,158,997	39.49
BUCS	MD	137,537	11,411		11,411	0.48	0.36	5.79	4.27	03/15/01	OTC BB	882,108	9.70

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State	Total Assets (\$000)	Total Equity (\$000)	Tang. Equity (\$000)	Total	ROAA (%)	Core ROAA (%)	ROAE (%)	Core ROAE (%)	IPO Date	Exchange	Number of Shares Outstg.	Mkt. Value of Shares (\$M)
PCGO	106,782	11,647	11,647	11,647	1.12	1.12	9.72	9.72	NA	Pink Sheet	NA	NA
SVBI	869,708	76,144	75,810	75,810	1.88	1.88	22.13	22.13	NA	NASDAQ	9,149,950	166.07
WSB	470,101	58,754	58,754	58,754	1.13	1.08	10.22	9.77	06/03/88	AMEX	7,418,000	63.79
CTZN	1,710,886	170,956	158,083	158,083	0.57	0.55	5.43	5.22	03/07/01	NASDAQ	8,160,753	233.41
FFNM	287,364	36,703	32,389	32,389	0.18	0.40	1.48	3.17	04/04/05	NASDAQ	3,120,344	30.89
FBC	15,051,458	783,084	783,084	783,084	0.52	0.54	10.41	10.72	04/30/97	NYSE	63,487,777	1035.08
MCBF	282,197	40,154	29,251	29,251	0.49	0.48	3.38	3.31	08/30/02	NASDAQ	2,664,480	32.51
STBI	305,721	26,597	21,381	21,381	0.91	0.91	10.75	10.75	11/10/88	Pink Sheet	2,466,361	28.49
HMFN	989,984	92,646	88,654	88,654	1.12	1.13	12.08	12.18	08/30/94	NASDAQ	4,412,964	149.47
REDW	74,829	7,782	7,782	7,782	0.37	0.36	3.24	3.21	07/10/95	Pink Sheet	448,988	8.72
WEFP	262,774	23,436	23,436	23,436	0.75	0.70	8.04	7.49	04/11/95	OTC BB	943,839	27.26
CCFC	93,723	13,991	13,991	13,991	0.10	0.10	0.72	0.72	01/09/03	OTC BB	916,945	13.75
FBSI	237,606	26,842	26,480	26,480	-0.11	-0.06	-0.98	-0.50	12/22/93	NASDAQ	1,552,610	26.01
LXMO	144,911	13,825	13,036	13,036	0.61	0.61	6.16	6.16	06/06/98	Pink Sheet	NA	15.09
MCMH	79,280	5,127	5,121	5,121	-0.04	-0.15	-0.61	-2.25	NA	Pink Sheet	NA	3.77
NASB	1,550,342	151,966	148,945	148,945	1.49	1.49	15.44	15.44	09/27/85	NASDAQ	8,417,442	290.91
PULB	907,360	72,087	67,620	67,620	1.07	0.86	18.26	13.04	12/03/98	NASDAQ	9,880,367	163.66
CSBC	702,275	84,675	NA	NA	0.61	0.66	4.63	5.02	10/01/02	NASDAQ	8,278,523	103.36
CDLX	141,192	21,444	21,444	21,444	0.50	0.50	3.33	3.33	12/31/97	Pink Sheet	649,279	22.42
KSBI	271,727	15,841	15,841	15,841	0.68	0.68	11.22	11.25	12/30/93	OTC BB	1,309,501	30.77
MTUC	86,052	6,796	6,796	6,796	-0.69	-0.69	-8.44	-8.44	06/29/93	OTC BB	363,719	4.00
SSFC	255,549	25,710	25,710	25,710	0.68	0.70	6.28	6.47	10/03/96	NASDAQ	2,954,696	27.48
TONE	3,303,786	319,343	267,460	267,460	1.10	1.10	11.66	11.65	10/02/02	NASDAQ	18,154,773	616.67
NHTB	637,405	46,969	34,829	34,829	0.89	0.88	12.51	12.43	05/22/86	NASDAQ	4,226,580	67.47
SWGC	79,990	7,152	7,152	7,152	0.68	0.60	7.96	7.03	NA	Pink Sheet	NA	15.88
ABNJ	516,278	128,630	128,630	128,630	0.45	0.53	2.65	3.12	10/06/05	NASDAQ	14,169,469	162.24
FNSW	105,578	9,061	9,061	9,061	0.26	0.26	2.99	2.91	09/30/98	OTC BB	650,530	16.26
FMOO	1,226,250	75,096	73,399	73,399	0.52	0.52	8.56	8.56	12/14/88	NASDAQ	8,515,110	120.66
HCBK	29,675,576	5,112,439	5,112,439	5,112,439	1.10	1.10	6.30	6.30	06/07/05	NASDAQ	581,199,754	8094.23
OCFC	2,008,497	135,836	134,590	134,590	0.96	0.95	13.94	13.87	07/03/96	NASDAQ	12,494,153	280.23
PBCI	645,898	59,244	59,244	59,244	1.21	1.20	13.53	13.41	11/14/89	NASDAQ	4,975,542	99.76
PFSB	2,237,346	123,585	123,585	123,585	0.69	0.71	11.65	11.98	07/15/94	NASDAQ	12,891,478	244.45
PFS	5,948,254	1,066,927	633,552	633,552	0.93	0.93	5.27	5.24	01/15/03	NYSE	67,777,300	1267.72

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		Total Assets (\$000)	Total Equity (\$000)	Tang. Equity (\$000)	Total Equity (\$000)	ROAA (%)	Core ROAA (%)	ROAE (%)	Core ROAE (%)	IPO Date	Exchange	Number of Shares Outstg.	Mkt. Value of Shares (\$M)
RBLG	NJ	116,166	16,017	16,017	16,017	0.46	0.46	3.20	3.20	10/01/04	OTC BB	1,710,045	18.47
SYNF	NJ	979,168	93,966	93,176	93,176	0.47	0.47	4.50	4.52	01/21/04	NASDAQ	11,360,488	166.09
FFSW	NM	552,732	51,450	45,729	45,729	0.95	0.95	10.07	10.07	NA	NASDAQ	3,979,453	61.68
AF	NY	22,237,930	1,309,420	1,124,269	1,124,269	0.99	1.00	16.39	16.65	11/18/93	NYSE	102,872,427	3165.76
ALFC	NY	180,079	28,527	28,527	28,527	0.15	0.93	0.96	5.80	10/23/02	NASDAQ	1,701,000	41.45
CNY	NY	860,993	48,697	48,697	48,697	0.60	0.65	7.93	8.61	10/25/94	AMEX	2,506,822	41.88
DCOM	NY	3,139,595	292,681	237,043	237,043	1.05	1.14	11.69	12.71	06/26/86	NASDAQ	36,958,894	515.96
ESBK	NY	334,654	22,959	22,637	22,637	0.86	0.73	12.34	10.50	03/01/85	NASDAQ	1,204,028	33.71
ESLB	NY	212,193	21,559	21,559	21,559	1.40	1.21	14.31	12.36	NA	Pink Sheet	NA	37.81
FNFG	NY	8,079,957	1,367,385	609,647	609,647	1.18	1.17	6.82	6.75	01/21/03	NASDAQ	111,769,031	1592.58
FFIC	NY	2,422,510	180,002	176,097	176,097	1.03	1.06	13.88	14.33	11/21/95	NASDAQ	19,502,512	335.53
GLK	NY	NA	NA	NA	NA	NA	NA	NA	NA	NA	NYSE	NA	184.85
NYB	NY	27,137,024	3,324,626	1,260,591	1,260,591	1.05	1.14	8.29	9.03	11/23/93	NYSE	270,374,542	4969.39
PRTR	NY	3,852,572	518,758	259,337	259,337	0.86	0.85	5.95	5.90	07/15/04	NASDAQ	46,895,985	557.19
PBNY	NY	2,745,628	387,293	217,645	217,645	0.80	0.80	5.23	5.29	01/15/04	NASDAQ	42,424,255	557.88
ROME	NY	313,271	93,826	93,826	93,826	1.15	1.10	3.82	3.65	03/31/05	NASDAQ	9,703,884	119.68
SFFS	NY	1,169,591	128,686	114,716	114,716	0.39	0.40	3.27	3.38	01/07/03	NASDAQ	12,336,040	255.85
TRST	NY	2,932,621	221,755	221,202	221,202	1.97	1.88	24.81	23.65	NA	NASDAQ	74,823,354	832.10
ASBN	OH	189,908	16,937	16,937	16,937	1.15	1.15	12.30	12.30	05/11/95	Pink Sheet	1,710,000	35.48
CFBK	OH	196,662	29,943	29,943	29,943	-1.91	-1.83	-15.16	-14.50	12/30/98	NASDAQ	4,543,682	34.35
CIBN	OH	122,265	12,966	12,966	12,966	0.91	0.72	8.52	6.72	02/07/95	Pink Sheet	NA	13.07
FFDF	OH	155,754	18,049	18,049	18,049	0.87	0.73	7.58	6.29	04/03/96	NASDAQ	1,192,253	22.06
FDEF	OH	1,478,190	154,045	115,024	115,024	0.91	1.00	8.65	9.51	10/02/95	NASDAQ	7,175,000	199.56
FFHS	OH	301,929	24,898	24,898	24,898	0.45	0.30	5.16	3.44	01/26/88	NASDAQ	1,685,730	26.55
FNFI	OH	99,305	16,144	16,144	16,144	1.04	0.69	6.37	4.24	01/27/98	NASDAQ	1,384,553	19.38
FPFC	OH	2,647,155	252,017	183,285	183,285	0.96	0.98	10.14	10.42	01/04/99	NASDAQ	15,136,384	361.91
HCFC	OH	150,577	13,598	13,359	13,359	0.56	0.41	6.35	4.66	12/30/98	NASDAQ	835,890	12.74
HLFN	OH	161,228	18,718	18,718	18,718	0.33	0.33	2.64	2.64	03/26/98	Pink Sheet	1,514,315	23.09
IDVB	OH	109,584	8,140	8,140	8,140	0.20	0.20	2.41	2.51	07/02/99	OTC BB	436,937	8.08
NLVS	OH	340,975	43,215	43,215	43,215	0.66	0.75	5.02	5.70	NA	OTC BB	2,458,088	66.98
OCFL	OH	70,966	7,245	7,245	7,245	-0.37	-0.37	-3.02	-3.08	04/01/05	OTC BB	560,198	6.54
OHSF	OH	16,241,462	1,208,675	1,207,508	1,207,508	1.13	1.15	15.26	15.59	NA	Pink Sheet	NA	1592.66
PCBI	OH	1,059,559	86,589	61,325	61,325	0.26	0.35	3.11	4.27	03/30/00	NASDAQ	4,426,449	88.31

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	Total Assets (\$000)	Total Equity (\$000)	Tang. Equity (\$000)	Total	ROAA (%)	Core ROAA (%)	ROAE (%)	Core ROAE (%)	IPO Date	Exchange	Number of Shares Outslg.	Mkt. Value of Shares (\$M)
POHF	206,432	25,886	25,886	25,886	0.97	0.94	7.79	7.47	12/18/89	OTC BB	7,346,864	40.41
PSFC	137,782	17,296	17,296	17,296	0.71	0.71	5.59	5.59	04/28/97	Pink Sheet	1,400,148	20.89
PFOH	373,560	54,801	54,801	54,801	1.37	1.31	9.21	8.81	04/19/91	OTC BB	2,469,822	58.04
PVFC	892,564	68,318	68,318	68,318	0.62	0.62	7.80	7.80	12/30/92	NASDAQ	7,716,142	77.16
UCFC	2,595,728	268,915	233,337	233,337	0.99	0.99	9.25	9.26	07/09/98	NASDAQ	31,092,963	375.68
WAYN	403,385	35,515	33,334	33,334	0.41	0.46	4.30	4.82	01/09/03	NASDAQ	3,348,000	50.59
ESBF	1,869,633	122,258	76,950	76,950	0.51	0.61	6.98	8.43	06/13/90	NASDAQ	13,117,348	157.07
FSBI	709,442	42,078	39,287	39,287	0.57	0.53	9.18	8.58	06/24/88	NASDAQ	2,987,517	58.55
FKFS	519,755	27,320	27,320	27,320	-0.02	-0.04	-0.30	-0.72	01/26/95	NASDAQ	2,023,974	38.46
FSSB	583,682	31,820	31,820	31,820	0.48	0.45	9.06	8.50	05/15/87	Pink Sheet	588,754	20.31
HARL	769,924	47,955	47,955	47,955	0.62	0.62	10.04	9.88	08/04/87	NASDAQ	3,864,665	67.60
KNBT	3,002,004	359,773	NA	NA	0.71	0.60	5.56	4.63	11/03/03	NASDAQ	29,127,369	485.09
LARL	314,295	27,824	24,722	24,722	0.64	0.64	7.17	7.14	02/20/87	NASDAQ	1,991,177	55.24
PVSA	1,852,022	120,382	87,977	87,977	0.70	0.70	11.27	11.21	07/16/87	NASDAQ	5,667,617	164.98
RSVI	77,741	9,962	9,962	9,962	0.67	0.55	6.52	5.35	04/08/02	OTC BB	549,460	15.37
SEFL	149,748	24,522	24,522	24,522	0.34	0.34	1.58	1.56	05/08/04	OTC BB	2,286,375	29.72
SOV	65,059,940	5,989,832	2,987,859	2,987,859	1.08	1.08	11.68	11.70	08/12/86	NYSE	381,808,751	8019.16
THRD	672,980	62,047	57,450	57,450	0.91	0.91	9.71	9.71	07/13/94	NASDAQ	2,869,763	82.75
WGBC	1,603,653	202,048	98,918	98,918	0.78	0.89	8.43	7.35	04/04/02	NASDAQ	14,808,282	255.25
WVFC	450,233	29,136	29,136	29,136	0.68	0.68	10.09	10.02	11/29/93	NASDAQ	2,344,771	39.12
CFCP	1,643,991	100,209	100,209	100,209	1.17	1.21	18.66	19.17	09/26/90	NASDAQ	19,583,163	260.61
FCPB	50,502	4,638	4,638	4,638	1.00	1.00	10.87	10.87	10/29/89	Pink Sheet	563,378	6.20
FFCH	2,591,097	173,931	151,161	151,161	1.06	1.03	15.62	15.23	11/10/83	NASDAQ	12,024,699	389.38
PEDE	213,759	26,320	25,595	25,595	0.68	0.69	5.31	5.37	12/31/97	NASDAQ	1,790,834	27.18
SFDL	628,950	36,965	36,965	36,965	0.64	0.63	10.59	10.50	10/30/87	OTC BB	2,537,010	59.37
HFFC	921,249	55,690	50,739	50,739	0.47	0.22	7.88	3.62	04/08/92	NASDAQ	3,940,528	68.84
JFBI	312,361	75,494	75,494	75,494	0.90	0.90	3.41	3.41	07/02/03	NASDAQ	6,694,917	88.02
SCYT	141,649	12,327	12,327	12,327	0.97	0.97	11.36	11.36	06/30/97	OTC BB	NA	13.28
SFBK	59,840	11,893	11,893	11,893	1.47	1.05	6.89	4.90	05/30/97	Pink Sheet	458,270	9.43
SFKT	317,404	19,590	19,546	19,546	1.37	0.79	18.92	9.75	NA	Pink Sheet	1,025,014	25.22
UNTN	121,272	14,603	13,990	13,990	1.24	0.87	8.67	6.10	01/05/98	OTC BB	NA	28.00
BAFI	101,440	8,814	8,814	8,814	1.28	1.28	15.76	15.75	06/01/01	Pink Sheet	278,454	7.38
ETFS	234,464	21,293	19,100	19,100	0.08	0.07	0.99	0.79	01/10/95	OTC BB	1,307,826	19.75

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FBTX	TX	4,768,482	338,857	182,166	0.59	0.57	8.09	7.89	12/18/03	NASDAQ	23,401,622	482.94
CFFC	VA	417,529	34,301	34,300	1.05	1.01	12.98	12.57	03/30/88	NASDAQ	2,104,956	47.41
GAFC	VA	318,169	12,174	11,218	-1.55	-1.41	-33.83	-30.85	06/28/99	NASDAQ	3,020,934	16.46
VSBK	VA	179,380	13,325	13,325	NA	NA	NA	NA	NA	Pink Sheet	949,992	24.70
FMSB	WA	1,085,267	62,054	62,054	0.98	0.98	16.55	16.55	12/17/85	NASDAQ	5,315,107	138.72
FBNW	WA	846,003	79,130	60,319	1.03	1.03	11.16	11.16	07/02/97	NASDAQ	6,053,186	124.49
RPFG	WA	890,954	84,485	84,319	0.31	0.31	2.98	2.98	10/21/03	NASDAQ	8,630,870	118.56
RVSF	WA	763,847	91,687	65,220	1.36	1.34	10.95	10.77	10/01/97	NASDAQ	5,772,686	144.66
TSBK	WA	557,383	77,713	70,393	1.39	1.38	10.28	10.26	01/13/98	NASDAQ	3,774,337	118.96
WFSL	WA	8,587,552	1,215,440	1,158,706	1.74	1.74	11.89	11.90	11/17/82	NASDAQ	87,187,699	2031.38
WM	WA	348,667,000	26,156,000	17,224,000	1.05	1.02	14.07	13.64	03/11/83	NYSE	958,819,141	44855.67
ABCW	WI	4,275,140	321,025	301,069	1.08	1.08	14.16	14.10	07/16/92	NASDAQ	21,854,303	664.59
BKMU	WI	3,545,455	540,501	484,346	0.73	0.71	4.80	4.47	10/30/03	NASDAQ	82,219,011	728.65
SVBC	WV	47,058	7,851	7,851	0.84	0.84	5.09	5.09	06/26/97	Pink Sheet	NA	7.08
CRZY	WY	89,396	10,030	9,842	0.40	0.40	4.40	4.40	03/29/96	Pink Sheet	640,337	10.41

KELLER & COMPANY
Dublin, Ohio
614-766-1426

KEY FINANCIAL DATA AND RATIOS
PUBLICLY-TRADED, FDIC-INSURED THRIFT INSTITUTIONS
(EXCLUDING MUTUAL HOLDING COMPANIES)
AS OF JUNE 1, 2006

	ASSETS AND EQUITY				PROFITABILITY				CAPITAL ISSUES			
	Total Assets (\$000)	Total Equity (\$000)	Tang. Equity (\$000)	Total (\$000)	ROAA (%)	Core ROAA (%)	ROAE (%)	Core ROAE (%)	IPO Date	Exchange	Number of Shares Outstg.	Mkt. Value of Shares (\$M)
ALL THRIFTS												
AVERAGE	4,369,141	371,987		284,133	1.03	1.02	12.11	11.99			23,617,055	635.18
MEDIAN	481,215	42,095		36,961	0.70	0.70	7.21	6.95			3,774,337.00	57.51
HIGH	348,667,000	26,156,000	17,224,000		2.04	2.04	24.81	23.85			958,819,141	44,655.67
LOW	31,202	-9,205	-8,224		-6.27	-5.11	-145.30	-118.41			250,598	1.55
AVERAGE FOR STATE												
PA	5,545,361	500,497		272,452	1.00	1.01	10.93	10.93			31,715,416	677.62
AVERAGE BY REGION												
MIDWEST	1,066,755	93,213		82,615	0.81	0.81	9.26	9.25			6,037,586	127.84
NEW ENGLAND	1,256,325	203,816		152,370	0.70	0.74	4.20	4.41			17,489,029	267.60
MID ATLANTIC	4,478,364	492,456		335,140	1.02	1.04	9.21	9.34			44,641,863	753.35
SOUTHEAST	1,455,739	99,109		88,939	0.52	0.50	7.77	7.54			11,449,011	173.69
SOUTHWEST	832,639	59,652		44,331	0.48	0.42	6.52	5.67			3,832,426	82.75
WEST	23,270,514	1,749,407		1,350,832	1.13	1.11	15.24	14.94			70,431,407	3,425.05
AVERAGE BY EXCHANGE												
NYSE	52,447,818	4,099,505		2,929,533	1.09	1.08	14.00	13.85			187,675,010	6,820.07
AMEX	643,060	53,658		52,676	0.78	0.77	9.48	9.41			5,161,648	77.34
NASDAQ	1,797,578	193,868		163,030	0.85	0.84	7.86	7.77			17,391,927	297.76
OTC	201,878	19,722		19,550	0.72	0.67	7.23	6.75			1,672,175	24.84
Pink Sheets	619,677	47,900		47,682	1.01	1.02	13.00	13.02			1,288,483	62.23

		PRICES AND CHANGE FROM IPO DATE										CURRENT DATA	
		1 Day			1 Week			1 Mo.			Closing	% Change	
IPO	IPO	IPO	After	%	IPO	After	%	IPO	After	%	Price on	From	
Date	Price	(\$)	(\$)	Change	(\$)	(\$)	Change	(\$)	(\$)	Change	06/01/06	IPO Price	
EQFC	NE	11/08/05	10.00	10.25	2.50	10.00	0.00	9.50	(5.00)		9.20	(8.00)	
NEBS	CT	12/29/05	10.00	10.66	6.60	10.70	7.00	10.70	7.00		11.25	12.50	
GVFF	OH	01/05/06	10.00	10.25	2.50	10.25	2.50	10.00	0.00		9.80	(2.00)	
MGYR	NJ	01/24/06	10.00	10.65	6.50	10.50	5.00	10.60	6.00		11.62	16.20	
UCBA	IN	03/31/06	10.00	10.80	8.00	10.84	8.40	10.55	5.50		10.40	4.00	
LSBK	NY	04/04/06	10.00	10.70	7.00	10.55	5.50	10.29	2.90		10.05	0.50	
MFDB	IL	04/06/06	10.00	11.13	11.30	11.00	10.00	11.40	14.00		11.04	10.40	
AVERAGE				7.19	6.65		6.16					20.37	
MEDIAN				6.55	5.25		5.75					17.15	
HIGH				36.00	34.80		36.00					60.40	
LOW				(6.60)	(7.10)		(16.00)					(12.00)	

EXHIBIT 35

KELLER & COMPANY

Dublin, Ohio

614-766-1426

ACQUISITIONS AND PENDING ACQUISITIONS

COUNTY, CITY OR MARKET AREA OF POLONIA BANK

NONE

EXHIBIT 36

THRIFT STOCK PRICES AND PRICING RATIOS
PUBLICLY-TRADED, FDIC-INSURED MUTUAL HOLDING COMPANIES
AS OF JUNE 1, 2006

PER SHARE														PRICING RATIOS			
State	Exchange	Latest Price (\$)	All Time High (\$)	All Time Low (\$)	Monthly Change (%)	Quarterly Change (%)	Book Value (\$)	Assets (\$)	12 Month Div. (\$)	Price/Earnings (X)	Price/Bk. Value (%)	Price/Assets (%)	Price/Core Earnings (X)				
CA	NASDAQ	13.990	14.140	11.550	6.88	14.11	6.52	53.40	0.34	36.82	214.57	26.20	36.82				
CT	NASDAQ	11.450	13.090	10.170	8.43	9.67	6.73	48.15	0.18	44.04	170.17	23.78	44.65				
CT	NASDAQ	33.170	34.500	28.170	1.50	7.10	9.22	78.20	0.91	33.51	359.76	42.41	37.09				
CT	NASDAQ	10.830	11.310	9.850	-2.87	-0.18	7.41	63.75	0.22	NA	146.15	16.98	NA				
CT	NASDAQ	14.380	15.790	11.250	1.05	-2.90	7.83	57.42	0.00	NA	183.61	25.04	NA				
CT	NASDAQ	10.878	12.490	10.200	-1.11	-3.22	6.39	57.90	0.13	38.85	170.19	18.79	39.72				
GA	NASDAQ	15.160	15.900	11.500	2.78	4.62	6.65	54.49	0.30	43.31	227.97	27.82	41.75				
GA	NASDAQ	38.570	39.650	32.680	1.96	0.60	13.02	56.08	1.95	55.10	296.24	68.77	89.80				
GA	NASDAQ	13.130	13.250	10.260	5.04	17.23	6.17	32.29	0.15	48.63	212.81	40.67	48.56				
IA	Pink Sheet	11.850	13.500	10.500	0.00	0.42	5.75	26.50	0.68	45.58	205.93	44.72	45.58				
ID	NASDAQ	15.360	15.700	11.340	9.64	19.61	6.89	49.31	0.21	34.13	222.93	31.14	34.91				
IL	OTC BB	25.000	25.150	22.500	5.04	7.30	13.05	120.68	0.30	54.35	191.57	20.71	54.35				
IL	NASDAQ	20.000	20.500	12.650	0.00	17.65	9.65	36.17	0.45	45.45	207.29	55.30	45.45				
IL	NASDAQ	13.750	15.800	12.750	3.62	3.77	10.21	129.36	0.30	26.44	134.71	10.63	26.49				
IL	OTC BB	11.040	11.500	10.400	-1.95	NA	1834.40	7,984.20	0.00	NA	0.60	0.14	NA				
IL	OTC BB	11.750	12.000	9.750	0.00	11.90	8.95	82.92	0.10	NA	131.27	14.17	NA				
IN	OTC BB	20.500	22.550	19.000	0.00	2.76	11.26	108.06	0.51	24.40	182.07	18.97	25.39				
IN	NASDAQ	10.400	11.000	10.250	-1.42	NA	7.38	43.28	0.07	NA	140.99	24.03	NA				
KS	NASDAQ	32.900	36.790	31.460	-1.56	0.34	11.87	111.30	2.30	42.73	277.17	28.95	42.73				
KY	NASDAQ	10.590	11.650	9.300	-0.09	-4.59	7.52	30.53	0.40	46.04	140.82	34.67	49.82				
LA	OTC BB	10.100	10.450	9.450	-1.17	1.00	8.45	32.36	0.22	36.07	119.58	31.21	49.34				
LA	OTC BB	22.000	22.000	20.050	4.66	2.56	14.60	83.80	0.33	22.00	150.68	25.08	22.00				
MA	OTC BB	8.800	9.950	8.300	-3.30	-2.22	6.82	59.96	0.00	NM	128.98	14.68	NM				
MA	OTC BB	28.750	30.000	25.000	0.88	2.86	16.70	234.61	0.00	23.76	172.16	12.13	24.01				
MA	NASDAQ	12.010	12.610	11.060	2.13	0.92	7.98	55.07	0.10	NA	150.51	21.81	NA				
MA	OTC BB	26.000	29.250	24.750	1.96	1.56	17.60	189.59	0.24	NM	147.70	13.71	NM				
MA	AMEX	24.050	25.850	22.100	2.91	-3.65	12.36	84.89	1.00	38.79	194.58	27.21	38.87				
MD	NASDAQ	13.250	14.200	12.100	6.00	-1.63	6.72	136.78	0.50	NM	197.07	9.69	NM				
MD	OTC BB	9.100	9.750	8.300	-3.70	2.13	6.99	48.97	0.00	NA	130.10	18.58	NA				
MD	OTC BB	9.550	10.050	8.650	-1.04	0.53	7.68	59.55	0.00	NM	124.27	16.04	108.11				
MO	LBMT	36.000	38.500	26.250	18.03	19.01	15.63	190.22	0.80	34.95	230.27	18.93	34.95				
MT	OTC BB	31.700	36.000	30.000	2.26	-3.21	20.64	198.59	0.80	22.48	153.61	15.96	22.37				
NC	OTC BB	18.750	23.000	16.750	-6.25	-12.79	13.00	212.47	0.20	21.31	144.22	8.82	21.31				
NC	OTC BB	21.750	24.000	20.000	5.84	3.57	15.63	87.21	0.64	18.12	139.13	24.94	18.12				
NE	OTC BB	9.200	10.250	8.500	-0.54	5.75	7.75	53.07	0.00	NA	118.71	17.34	NA				
NH	OTC BB	10.400	12.500	8.250	1.46	-4.59	5.24	82.18	0.00	NM	198.47	12.65	NM				

THRIFT STOCK PRICES AND PRICING RATIOS
PUBLICLY-TRADED, FDIC-INSURED MUTUAL HOLDING COMPANIES
AS OF JUNE 1, 2006

PER SHARE															PRICING RATIOS				
	State	Exchange	Latest Price (\$)	All Time		Monthly Change (%)	Quarterly Change (%)	Book Value (\$)	Assets (\$)	12 Month Div. (\$)	Price/Earnings (X)	Price/Bk. Value (%)	Price/Assets (%)	Price/Core Earnings (X)					
				High (\$)	Low (\$)														
CSBK	NJ	NASDAQ	10.580	11.050	10.010	0.09	1.34	6.54	27.52	0.20	NM	161.86	38.44	74.44					
COBK	NJ	NASDAQ	12.184	12.860	9.310	2.99	11.27	7.88	76.05	0.00	NA	154.60	16.02	NA					
ISBC	NJ	NASDAQ	13.850	14.490	9.890	-0.65	9.23	7.68	45.00	0.00	NA	180.34	30.78	NA					
KRNY	NJ	NASDAQ	13.740	14.000	10.450	0.07	1.78	6.92	27.97	0.19	65.43	198.69	49.13	102.82					
LPBC	NJ	OTC BB	9.950	10.100	8.620	-0.50	1.02	7.16	51.17	0.05	33.17	138.91	19.44	33.62					
MGYR	NJ	NASDAQ	11.620	12.390	10.350	0.17	10.04	7.94	65.99	0.00	NA	148.29	17.61	NA					
OSHC	NJ	NASDAQ	12.620	12.750	10.020	2.60	8.33	7.00	83.54	0.00	36.08	180.34	19.86	36.05					
WAWL	NJ	OTC BB	10.700	11.750	9.700	-8.94	1.90	6.90	37.82	0.68	20.19	155.07	28.27	20.19					
ALMG	NM	OTC BB	30.750	37.000	30.500	0.82	-3.30	NA	NA	0.76	NA	NA	NA	NA					
BFSB	NY	NASDAQ	12.000	12.300	9.950	0.00	6.19	5.86	27.25	0.00	37.50	204.89	44.04	NA					
FLTB	NY	OTC BB	8.050	9.091	7.455	-2.42	1.20	5.78	53.73	0.00	61.92	139.17	14.98	61.92					
GOV	NY	AMEX	13.400	13.750	10.850	1.52	17.54	8.36	54.99	0.29	25.28	160.29	24.43	27.67					
GCBC	NY	NASDAQ	15.100	19.000	13.840	1.62	4.14	8.19	72.20	0.45	25.59	184.37	20.73	25.15					
LSBK	NY	NASDAQ	10.050	10.800	10.010	-1.66	NA	NA	NA	0.00	NA	NA	NA	NA					
ONFC	NY	NASDAQ	11.050	14.000	9.800	-5.88	-2.21	7.12	55.34	0.43	22.55	155.20	19.78	23.76					
PBHC	NY	NASDAQ	12.000	15.550	11.000	-3.61	-2.04	8.47	123.32	0.41	54.55	141.68	9.73	43.07					
CHEV	OH	NASDAQ	12.000	12.250	11.010	0.42	0.33	7.47	29.60	0.28	60.00	160.75	40.54	60.00					
GVFF	OH	OTC BB	9.800	10.250	9.730	-1.51	-4.39	9.77	57.70	0.07	NA	100.31	16.98	NA					
OFFO	OK	OTC BB	18.450	18.450	13.000	19.03	29.47	5.70	47.17	1.51	68.33	323.68	39.11	68.33					
ABBC	PA	NASDAQ	14.200	14.200	10.800	4.64	6.77	7.36	54.59	0.21	33.81	192.87	26.01	33.57					
EKFC	PA	OTC BB	31.100	37.500	28.150	-5.78	-2.81	16.29	76.82	1.40	37.02	190.91	40.47	37.02					
FFCO	PA	NASDAQ	10.180	10.390	8.350	1.80	13.10	6.86	41.11	0.00	NM	148.33	24.76	91.58					
ALLB	PA	NASDAQ	24.500	27.700	21.610	2.08	-1.01	9.77	113.66	0.38	NM	250.72	21.56	63.98					
NPEN	PA	OTC BB	11.250	11.750	10.040	2.27	7.24	8.86	76.35	0.08	NA	128.99	14.73	NA					
NWSB	PA	NASDAQ	25.850	25.900	19.770	5.51	11.66	11.77	130.35	0.62	22.28	219.63	19.82	22.28					
PBIP	PA	NASDAQ	13.320	14.400	9.830	2.46	0.53	7.30	36.45	0.16	41.62	182.58	36.54	41.34					
FSGB	SC	Pink Sheet	35.000	NA	NA	0.00	0.00	NA	NA	0.00	NA	NA	NA	NA					
CZWI	WI	OTC BB	17.600	18.000	10.300	-1.68	25.71	8.01	68.97	0.20	NM	219.68	25.52	87.66					
GFCJ	WI	Pink Sheet	140.000	170.000	131.000	-3.45	-5.41	109.31	995.12	10.00	38.67	128.08	14.07	NM					
WAUW	WI	NASDAQ	15.750	16.000	10.350	19.05	25.00	7.09	47.12	0.00	NA	222.15	33.43	NA					
ALL MUTUAL HOLDING COMPANIES																			
AVERAGE			18.527	20.035	15.857	1.49	4.61	39.65	215.72	0.49	38.02	175.96	24.91	45.50					
MEDIAN			13.320	14.070	10.475	0.62	1.90	7.83	57.90	0.21	36.92	170.17	21.81	39.72					
HIGH			140.000	170.000	131.000	19.05	29.47	#####	7,984.20	10.00	68.33	359.76	68.77	108.11					
LOW			8.050	9.091	7.455	-8.94	-12.79	5.24	26.50	0.00	18.12	0.60	0.14	18.12					

KEY FINANCIAL DATA AND RATIOS
PUBLICLY-TRADED, FDIC-INSURED MUTUAL HOLDING COMPANIES
AS OF JUNE 1, 2006

	State	ASSETS AND EQUITY			PROFITABILITY			CAPITAL ISSUES				
		Total Assets (\$000)	Total Equity (\$000)	Tang. Equity (\$000)	ROAA (%)	Core ROAA (%)	ROAE (%)	Core ROAE (%)	IPO Date	Exchange	Number of Shares Outstg.	Mkt. Value of Shares (\$M)
KFED	CA	766,907	93,646	89,227	0.73	0.73	5.53	5.53	03/31/04	NASDAQ	14,362,570	200.86
NVSL	CT	366,153	51,167	50,951	0.60	0.59	3.80	3.75	10/01/04	NASDAQ	7,604,375	87.07
PBCT	CT	11,081,100	1,306,400	1,200,600	1.30	1.17	11.14	10.08	07/06/88	NASDAQ	141,700,000	4,707.83
PSBH	CT	429,749	49,932	41,596	0.61	0.57	4.31	4.02	10/05/04	NASDAQ	6,741,425	73.01
RCKB	CT	1,115,920	152,211	151,141	0.44	0.67	3.19	4.84	05/23/05	NASDAQ	19,435,000	279.48
SIFI	CT	723,787	79,892	79,100	0.49	0.48	4.06	3.97	10/01/04	NASDAQ	12,499,586	135.59
ACFC	GA	770,519	94,039	91,091	0.69	0.71	5.16	5.35	10/05/04	NASDAQ	14,141,350	214.42
CHFN	GA	1,100,952	255,588	249,910	1.28	0.79	5.29	3.24	10/17/01	NASDAQ	19,630,772	764.92
HBOS	GA	362,953	69,355	69,355	0.75	0.76	4.15	4.16	08/30/05	NASDAQ	11,241,250	147.60
WCFB	IA	100,847	21,899	21,805	1.01	1.01	4.90	4.90	08/15/94	Pink Sheet	3,805,622	45.10
HOME	ID	747,296	104,388	104,388	0.94	0.92	6.30	6.15	12/07/04	NASDAQ	15,154,114	232.77
AJSB	IL	258,276	27,920	27,920	0.38	0.38	3.42	3.42	12/27/01	OTC BB	2,140,207	53.51
FFFS	IL	141,778	37,822	37,822	1.19	1.19	4.42	4.42	08/29/04	NASDAQ	3,920,060	78.40
JXSB	IL	256,340	20,226	17,320	0.41	0.40	5.08	5.08	04/21/95	NASDAQ	1,981,587	27.30
MFDB	IL	79,842	18,344	18,344	NA	NA	NA	NA	04/06/06	OTC BB	10,000	40.15
OTTW	IL	184,480	19,915	19,915	0.92	0.90	10.03	9.74	07/15/05	OTC BB	2,224,911	26.14
MSVB	IN	158,584	16,524	16,524	0.81	0.78	7.68	7.39	04/09/98	OTC BB	1,467,538	30.09
UCBA	IN	366,354	62,436	62,436	NA	NA	NA	NA	03/31/06	NASDAQ	8,464,000	88.03
CFFN	KS	8,252,195	861,813	861,813	0.67	0.67	6.47	6.47	04/01/99	NASDAQ	74,143,852	2,438.53
KFFB	KY	262,234	64,564	49,282	0.68	0.63	2.86	2.66	03/03/05	NASDAQ	8,589,618	91.03
HFBL	LA	115,160	30,084	30,084	0.83	0.61	2.97	2.17	01/21/05	OTC BB	3,558,958	35.94
MDNB	LA	115,335	19,197	19,197	1.27	1.27	7.49	7.49	07/02/02	OTC BB	1,376,361	30.28
GTWN	MA	166,522	18,949	18,949	-0.15	-0.10	-1.24	-0.88	01/06/05	OTC BB	2,777,250	24.44
SERC	MA	387,851	27,319	27,319	0.56	0.55	7.45	7.37	10/08/98	OTC BB	1,653,179	47.53
UBNK	MA	947,569	137,292	136,992	0.49	0.75	4.03	6.18	07/13/05	NASDAQ	17,205,995	206.84
WFSM	MA	302,535	28,090	28,090	0.06	0.05	0.57	0.55	02/16/00	OTC BB	1,595,774	41.49
WFD	MA	822,571	115,015	115,015	0.74	0.74	5.14	5.13	12/28/01	AMEX	9,689,757	233.04
BCSB	MD	808,679	39,751	37,185	0.05	-0.01	0.99	-0.17	07/08/98	NASDAQ	5,912,177	78.34
BVFL	MD	129,531	18,501	NA	0.40	0.40	2.75	2.75	01/14/05	OTC BB	2,845,000	24.07
SFBI	MD	174,010	22,455	22,455	0.11	0.15	0.82	1.11	12/31/04	OTC BB	2,922,064	28.42
LBTM	MO	258,290	21,229	21,229	0.57	0.57	6.57	6.57	08/23/93	OTC BB	1,357,876	48.88
EBMT	MT	217,121	22,562	22,562	0.82	0.82	7.70	7.74	04/05/00	OTC BB	1,093,322	34.61
ASFE	NC	223,264	13,661	12,013	0.42	0.42	6.92	6.92	10/07/96	OTC BB	1,050,804	19.70
WAKE	NC	100,520	18,019	18,019	1.41	1.41	8.03	8.03	04/03/96	OTC BB	1,152,861	25.07
EQFC	NE	174,980	25,557	25,557	NA	NA	NA	NA	11/08/05	OTC BB	3,297,509	30.34
MNCK	NH	77,633	4,950	4,720	0.04	0.05	0.55	0.69	08/29/04	OTC BB	944,631	9.82

KEY FINANCIAL DATA AND RATIOS
PUBLICLY-TRADED, FDIC-INSURED MUTUAL HOLDING COMPANIES
AS OF JUNE 1, 2006

	State	ASSETS AND EQUITY			PROFITABILITY			CAPITAL ISSUES				
		Total Assets (\$000)	Total Equity (\$000)	Total Tang. Equity (\$000)	ROAA (%)	Core ROAA (%)	ROAE (%)	Core ROAE (%)	IPO Date	Exchange	Number of Shares Outstg.	Mkt. Value of Shares (\$M)
CSBK	NJ	837,427	198,900	198,900	0.51	0.51	2.14	2.17	03/04/04	NASDAQ	30,429,251	321.84
COBK	NJ	343,882	35,636	35,636	0.53	0.53	5.16	5.11	06/30/05	NASDAQ	4,521,696	55.09
ISBC	NJ	5,232,861	892,976	892,976	0.31	0.30	2.50	2.47	10/12/05	NASDAQ	116,275,688	1,610.42
KRNY	NJ	2,034,193	502,998	419,648	0.76	0.49	3.14	2.01	02/24/05	NASDAQ	72,737,500	999.41
LPBC	NJ	94,747	13,262	13,262	0.59	0.59	4.10	4.06	12/20/04	OTC BB	1,851,500	18.42
MGYR	NJ	390,901	47,052	47,052	NA	NA	NA	NA	01/24/06	NASDAQ	5,923,742	68.83
OSHC	NJ	556,813	61,320	61,320	0.55	0.55	4.98	4.98	12/22/04	NASDAQ	8,762,742	110.56
WAWL	NJ	81,113	14,789	14,789	1.41	1.41	7.59	7.60	04/01/04	OTC BB	2,144,701	22.95
ALMG	NM	156,877	27,763	27,763	0.39	0.52	2.16	2.88	05/16/00	OTC BB	NA	40.26
BFSB	NY	360,375	77,455	77,455	1.18	NA	5.82	NA	04/06/05	NASDAQ	13,225,000	158.70
FLTB	NY	149,706	16,116	16,116	0.22	0.22	1.92	1.92	10/21/03	OTC BB	2,786,257	22.43
GOV	NY	126,053	19,215	19,215	1.02	0.93	6.53	5.97	03/23/99	AMEX	2,292,084	30.71
GCBC	NY	299,231	33,637	33,637	0.82	0.84	7.35	7.48	12/30/98	NASDAQ	4,144,746	62.59
LSBK	NY	382,094	27,805	27,805	NA	NA	NA	NA	04/04/06	NASDAQ	NA	66.46
ONFC	NY	426,231	54,327	39,348	0.88	0.83	7.18	6.81	12/30/98	NASDAQ	7,702,213	84.34
PBHC	NY	303,754	20,859	16,670	0.18	0.22	2.60	3.24	11/16/95	NASDAQ	2,463,132	29.56
CHEV	OH	293,594	74,044	74,044	0.69	0.69	2.58	2.58	01/06/04	NASDAQ	9,918,751	114.61
GVFF	OH	132,625	22,454	22,454	0.59	0.58	5.18	5.03	01/05/06	OTC BB	2,298,411	22.52
OFFO	OK	107,883	13,035	13,035	0.61	0.61	4.58	4.58	04/01/04	OTC BB	2,287,017	42.20
ABBC	PA	855,442	115,376	115,376	0.81	0.81	5.61	5.65	12/17/04	NASDAQ	15,670,653	222.35
EKFC	PA	94,453	20,023	20,023	1.17	1.17	5.64	5.64	01/07/99	OTC BB	1,228,493	38.24
FFCO	PA	271,868	45,382	44,302	-0.03	0.23	-0.20	1.41	04/07/05	NASDAQ	6,612,500	87.32
ALLB	PA	391,135	33,629	33,629	0.31	0.34	3.45	3.83	03/03/85	NASDAQ	3,441,383	84.31
NPEN	PA	110,220	12,788	12,788	-0.07	-0.03	-0.56	-0.26	06/02/05	OTC BB	1,443,555	16.24
NWSB	PA	6,528,376	589,229	428,199	0.92	0.92	10.05	10.05	11/07/94	NASDAQ	50,083,306	1294.66
PBIP	PA	450,676	90,191	90,191	0.86	0.87	4.20	4.23	03/30/05	NASDAQ	12,362,650	163.85
FSGB	SC	106,645	9,792	9,726	0.65	0.61	6.77	6.39	11/14/94	Pink Sheet	NA	35.09
CZWI	WI	258,625	29,814	22,368	0.32	0.29	2.77	2.54	03/30/04	OTC BB	3,721,052	65.55
GFCJ	WI	1,846,381	202,816	201,974	0.36	-1.76	4.25	-20.50	06/21/93	Pink Sheet	1,855,431	259.76
WAUW	WI	1,557,663	234,369	234,369	0.55	0.55	4.64	4.63	10/05/05	NASDAQ	33,057,164	520.74

ALL MUTUAL HOLDING COMPANIES

AVERAGE	868,601	113,754	108,677	0.76	0.65	6.11	5.18
MEDIAN	300,883	33,633	33,637	0.81	0.60	4.58	4.61
HIGH	11,081,100	1,306,400	1,200,600	1.41	1.41	11.14	10.06
LOW	77,633	4,950	4,720	-0.15	-1.76	-1.24	-20.50
						13,440,203	262.55
						3,920,060.00	66.01
						141,700,000	4,707.83
						10,000	9.82

KELLER & COMPANY

Dublin, Ohio

614-766-1426

COMPARABLE GROUP SELECTION**BALANCE SHEET PARAMETERS**

General Parameters:

Regions: New England, Mid-Atlantic,

Midwest, Southeast

IPO Date: <= 03/31/05

Asset size: <=750,000,000

POLONIA BANK

IPO Date	Total Assets (\$000)	Cash & Invest./ Assets (%)	MBS/ Assets (%)	1-4 Fam. Loans/ Assets (%)	Total Net Loans/ Assets (%)	Total Net Loans & MBS/ Assets (%)	Borrowed Funds/ Assets (%)	Equity/ Assets (%)
-	172,419	13.24	22.02	51.81	56.52	78.54	10.06	6.72

DEFINED PARAMETERS FOR**INCLUSION IN COMPARABLE GROUP**

	Prior to 03/31/05	25.00 - 40.00 -	40.00 - 90.00	90.00 - 60.00 -	5.00 - 14.00

FNFI	First Niles Financial Inc.	OH	10/27/98	99,305	38.48	11.41	36.90	48.25	59.66	22.12	16.26
HCFC	Home City Financial Corp.	OH	12/30/96	150,577	9.22	0.70	43.69	85.07	85.77	24.09	9.03
FFDF	FFD Financial Corp.	OH	04/03/96	155,754	8.40	0.41	37.42	89.37	89.78	9.37	11.59
IFSB	Independence Federal Svgs Bank	DC	06/06/85	170,205	35.51	12.45	35.12	49.88	62.33	7.05	8.43
CFBK	Central Federal Corp.	OH	12/30/98	196,662	8.56	11.72	24.30	72.98	84.70	14.72	15.23
BRBI	Blue River Bancshares Inc.	IN	06/24/98	211,576	NA	NA	NA	79.06	NA	11.88	8.30
PEDE	Great Pee Dee Bancorp Inc.	SC	12/31/97	213,759	7.13	7.14	38.63	81.37	88.52	13.65	12.31
FBSI	First Bancshares Inc.	MO	12/22/93	237,606	18.62	14.52	33.38	59.51	74.03	11.78	11.30
MFLR	Mayflower Co-operative Bank	MA	12/23/87	238,975	19.05	20.23	33.08	56.80	77.03	9.48	7.83
PEED	Park Bancorp Inc.	IL	08/12/96	239,721	16.94	10.82	37.31	65.59	76.40	24.17	12.45
SSFC	South Street Financial Corp.	NC	10/03/96	255,549	16.82	2.39	47.96	74.62	77.01	5.87	10.06
FBTC	First BancTrust Corp.	IL	04/19/01	275,124	13.75	19.56	28.91	59.49	79.04	19.95	9.49
MCBF	Monarch Community Bancorp Inc	MI	08/30/02	282,197	12.36	0.47	54.67	77.67	78.13	19.20	14.23
FBEI	First Bancorp of Indiana Inc.	IN	04/07/99	288,868	15.81	14.76	28.96	61.91	76.67	24.92	9.91
FFHS	First Franklin Corp.	OH	01/26/88	301,929	9.67	2.58	57.10	83.35	85.92	16.09	8.25
JFBI	Jefferson Bancshares Inc.	TN	07/02/03	312,361	14.18	1.95	27.29	77.46	79.41	12.49	24.17
ROME	Rome Bancorp Inc.	NY	03/31/05	313,271	15.66	0.20	45.18	80.70	80.90	2.91	29.95
GAFC	Greater Atlantic Financial	VA	06/28/99	318,169	16.92	18.13	37.63	61.95	80.08	23.17	3.83
RIVR	River Valley Bancorp	IN	12/20/96	322,708	22.60	0.03	30.05	71.81	71.84	25.48	7.18
ESBK	Elmira Savings Bank	NY	03/01/85	334,654	16.65	17.76	31.12	61.42	79.18	20.29	6.86

KELLER & COMPANY

Dublin, Ohio

614-766-1426

General Parameters:

Regions: New England, Mid-Atlantic,

Midwest, Southeast

IPO Date: <= 03/31/05

Asset size: <=750,000,000

COMPARABLE GROUP SELECTION**BALANCE SHEET PARAMETERS****POLONIA BANK**

IPO Date	Total Assets (\$000)	Cash & Invest./ Assets (%)	MBS/ Assets (%)	1-4 Fam. Loans/ Assets (%)	Total Net Loans/ Assets (%)	Total Net Loans & MBS/ Assets (%)	Borrowed Funds/ Assets (%)	Equity/ Assets (%)
-	172,419	13.24	22.02	51.81	56.52	78.54	10.06	6.72

DEFINED PARAMETERS FOR INCLUSION IN COMPARABLE GROUP

	Prior to 03/31/05	< 750,000	< 25.00	< 30.00	25.00 - 75.00	40.00 - 90.00	60.00 - 90.00	< 25.00	5.00 - 14.00
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FCFL	First Community Bank Corp.	FL	05/31/03	342,525	7.67	0.85	30.78	87.09	87.94	6.98	8.89
FFBI	First Federal Bancshares Inc.	IL	09/28/00	349,915	26.04	19.28	31.88	52.05	71.33	7.68	6.03
LSBI	LSB Financial Corp.	IN	02/03/95	371,770	7.18	0.21	42.01	87.77	87.98	17.36	8.96
WAYN	Wayne Savings Bancshares	OH	01/09/03	403,385	23.85	13.25	37.17	58.33	71.58	8.12	8.80
CFCC	Community Financial Corp.	VA	03/30/88	417,529	12.58	0.00	32.53	83.54	83.54	22.35	8.22
ASBI	Ameriana Bancorp	IN	03/02/87	443,245	31.55	10.31	22.09	48.83	59.14	13.21	8.03
FCAP	First Capital Inc.	IN	01/04/99	444,804	16.95	3.99	46.41	74.49	78.48	15.58	9.52
WVFC	WVS Financial Corp.	PA	11/29/93	450,233	46.53	39.91	6.54	12.39	52.30	59.08	6.47
WSB	Washington Savings Bank FSB	MD	08/03/88	470,101	NA	3.95	27.15	56.45	60.40	11.89	12.50
FFFD	North Central Bancshares Inc.	IA	03/21/96	492,329	5.25	0.86	50.12	88.84	89.70	21.82	8.55
PFDC	Peoples Bancorp	IN	07/07/87	493,954	NA	NA	NA	73.93	NA	12.80	12.94
FKFS	First Keystone Financial	PA	01/26/95	519,755	13.24	21.48	37.77	58.96	80.44	23.76	5.26
MFBC	MFB Corp.	IN	03/25/94	525,316	14.40	7.56	38.37	70.29	77.84	23.06	7.29
LSBX	LSB Corp.	MA	05/02/86	545,847	27.86	25.97	13.39	43.65	69.62	33.29	10.25
CEBK	Central Bancorp Inc.	MA	10/24/86	547,275	14.06	6.99	31.07	75.20	82.20	20.34	7.16
FFSX	First Federal Bancshares Inc.	IA	04/14/99	600,728	10.57	4.25	27.63	77.06	81.31	16.21	11.31
NHTB	New Hampshire Thrift Bncshrs	NH	05/22/86	637,405	12.14	8.89	48.58	73.28	82.17	21.39	7.37
HIFS	Hingham Instit. for Savings	MA	12/20/88	642,097	16.03	2.23	41.79	78.60	80.83	32.22	7.71
PBCI	Pamapo Bancorp Inc.	NJ	11/14/89	645,898	3.45	25.98	43.01	68.64	94.62	16.03	9.17
HFBC	HopFed Bancorp Inc.	KY	02/09/98	649,306	22.62	8.04	32.58	64.12	72.16	18.27	7.67

KELLER & COMPANY

Dublin, Ohio

614-766-1426

COMPARABLE GROUP SELECTION**BALANCE SHEET PARAMETERS**

General Parameters:

Regions: New England, Mid-Atlantic,
Midwest, Southeast

IPO Date: <= 03/31/05

Asset size: <=750,000,000

POLONIA BANK

IPO Date	Total Assets (\$000)	Cash & Invest./ Assets (%)	MBS/ Assets (%)	1-4 Fam. Loans/ Assets (%)	Total Net Loans/ Assets (%)	Total Net Loans & MBS/ Assets (%)	Borrowed Funds/ Assets (%)	Equity/ Assets (%)
-	172,419	13.24	22.02	51.81	56.52	78.54	10.06	6.72

DEFINED PARAMETERS FOR**INCLUSION IN COMPARABLE GROUP**

	Prior to							
	03/31/05	< 750,000	< 25.00	< 30.00	25.00 - 75.00	40.00 - 90.00	60.00 - 90.00	5.00 - 14.00

CNY	Carver Bancorp Inc.	NY	10/25/94	660,993	4.76	15.78	22.22	74.65	90.43	14.19	7.37
THRD	TF Financial Corp.	PA	07/13/94	672,980	5.98	13.92	52.67	75.56	89.48	20.75	9.22
CSBC	Citizens South Banking Corp.	NC	10/01/02	702,275	9.52	10.05	24.57	69.27	79.33	12.54	12.06
FSBI	Fidelity Bancorp Inc.	PA	06/24/88	709,442	23.86	17.39	33.43	55.34	72.74	36.40	5.93
PFSL	Pocahontas Bancorp Inc.	AR	04/01/98	737,674	11.81	24.30	22.26	57.47	81.77	20.67	7.01
FDT	Federal Trust Corp.	FL	12/12/97	744,726	6.25	2.93	54.24	86.62	89.55	27.19	6.06
CASH	Meta Financial Group Inc.	IA	09/20/93	745,440	11.83	25.17	9.51	57.15	82.33	20.95	5.64

KELLER & COMPANY

Dublin, Ohio

614-766-1426

COMPARABLE GROUP SELECTION**OPERATING PERFORMANCE AND ASSET QUALITY PARAMETERS****Most Recent Four Quarters**

General Parameters:

Regions: New England, Mid-Atlantic,

Midwest, Southeast

IPO Date: <= 03/31/05

Asset size: <=750,000,000

IPO Date	Total Assets (\$000)	OPERATING PERFORMANCE				ASSET QUALITY (*)		
		Core ROAA (%)	Core ROAE (%)	Net Interest Margin (%)	Operating Expenses/Assets (%)	NonInterest Income/Assets (%)	NPA/Assets (%)	Repos. Assets/Assets (%)

POLONIA BANK

-	172,419	(0.04)	(0.50)	2.80	3.23	0.11	0.21	0.00
0.38								

DEFINED PARAMETERS FOR

INCLUSION IN COMPARABLE GROUP		Prior to		2.25 -		2.25 -		< 1.00		< 0.20		> 0.25	
		03/31/05		03/31/05		03/31/05		03/31/05		03/31/05		03/31/05	
FNFI	First Niles Financial Inc.	OH	10/27/98	99,305	0.69	4.24	2.80	1.84	0.58	0.04	0.75		
HCFC	Home City Financial Corp.	OH	12/30/96	150,577	0.41	4.66	3.23	2.26	0.16	0.01	0.92		
FFDF	FFD Financial Corp.	OH	04/03/96	155,754	0.73	6.29	3.73	2.79	0.57	0.00	0.47		
IFSB	Independence Federal Svgs Bank	DC	06/06/85	170,205	-0.55	-5.62	3.33	5.94	1.92	0.00	0.26		
CFBK	Central Federal Corp.	OH	12/30/98	196,662	-1.83	-14.50	3.46	5.14	0.38	0.00	0.88		
BRBI	Blue River Bancshares Inc.	IN	06/24/98	211,576	0.73	9.38	3.61	3.40	0.67	1.48	0.77		
PEDE	Great Pee Dee Bancorp Inc.	SC	12/31/97	213,759	0.69	5.37	3.32	2.34	0.40	0.12	0.84		
FBSI	First Bancshares Inc.	MO	12/22/93	237,606	-0.06	-0.50	3.32	2.97	0.89	0.91	0.90		
MFLR	Mayflower Co-operative Bank	MA	12/23/87	238,975	0.75	9.59	3.47	2.58	0.37	0.00	0.70		
PFED	Park Bancorp Inc.	IL	08/12/96	239,721	0.13	1.09	3.11	2.63	0.37	0.98	0.60		
SSFC	South Street Financial Corp.	NC	10/03/96	255,549	0.70	6.47	3.46	2.45	0.34	NA	0.28		
FBTC	First BancTrust Corp.	IL	04/19/01	275,124	0.45	4.22	3.39	3.70	1.20	0.61	0.97		
MCBF	Monarch Community Bancorp Inc	MI	08/30/02	282,197	0.48	3.31	3.48	3.65	1.18	1.03	0.99		
FBEI	First Bancorp of Indiana Inc.	IN	04/07/99	288,868	0.39	3.72	2.70	2.49	0.60	0.16	0.30		
FFHS	First Franklin Corp.	OH	01/26/88	301,929	0.30	3.44	2.39	2.17	0.39	1.54	0.44		
JFBI	Jefferson Bancshares Inc.	TN	07/02/03	312,361	0.90	3.41	3.94	2.72	0.45	0.07	0.70		
ROME	Rome Bancorp Inc.	NY	03/31/05	313,271	1.10	3.65	4.83	3.27	0.58	0.39	0.00	0.63	

KELLER & COMPANY

Dublin, Ohio

614-766-1426

COMPARABLE GROUP SELECTION**OPERATING PERFORMANCE AND ASSET QUALITY PARAMETERS****Most Recent Four Quarters**

General Parameters:

Regions: New England, Mid-Atlantic,
Midwest, Southeast

IPO Date: <= 03/31/05

Asset size: <=750,000,000

	IPO Date	Total Assets (\$000)	OPERATING PERFORMANCE					ASSET QUALITY ⁽¹⁾		
			Core ROAA (%)	Core ROAE (%)	Net Interest Margin (%)	Operating Expenses/Assets (%)	Noninterest Income/Assets (%)	NPA/Assets (%)	Repo. Assets/Assets (%)	Reserves/Assets (%)
POLONIA BANK	-	172,419	(0.04)	(0.50)	2.80	3.23	0.11	0.21	0.00	0.38

DEFINED PARAMETERS FOR

INCLUSION IN COMPARABLE GROUP		Prior to		2.25 -		2.25 -		< 1.25		< 1.00		< 0.20		> 0.25	
GAFC	Greater Atlantic Financial	VA	06/28/99	318,169	-1.41	-30.85	2.16	5.01	1.84	0.45	0.00	0.00	0.39		
RIVR	River Valley Bancorp	IN	12/20/96	322,708	0.63	8.59	2.69	2.32	0.77	NA	0.08	0.08	0.74		
ESBK	Elmira Savings Bank	NY	03/01/85	334,654	0.73	10.50	3.35	2.60	0.59	0.19	0.00	0.00	0.62		
FCFL	First Community Bank Corp.	FL	05/31/03	342,525	1.03	11.50	4.58	2.84	0.35	0.06	0.00	0.00	1.01		
FFBI	First Federal Bancshares Inc.	IL	09/28/00	349,915	0.19	2.82	2.25	2.13	0.36	NA	0.07	0.07	0.27		
LSBI	LSB Financial Corp.	IN	02/03/95	371,770	NA	NA	3.41	2.23	NA	2.87	0.54	0.54	0.73		
WAYN	Wayne Savings Bancshares	OH	01/09/03	403,385	0.46	4.82	3.03	2.62	0.41	0.24	0.01	0.01	0.35		
CFCC	Community Financial Corp.	VA	03/30/88	417,529	1.01	12.57	3.67	2.63	0.67	0.21	0.00	0.00	0.71		
ASBI	Ameriana Bancorp	IN	03/02/87	443,245	0.36	4.18	2.50	2.91	0.89	1.07	0.31	0.31	0.66		
FCAP	First Capital Inc.	IN	01/04/99	444,804	0.87	9.02	3.35	2.33	0.65	0.71	0.17	0.17	0.50		
WVFC	WVS Financial Corp.	PA	11/29/93	450,233	0.68	10.02	1.46	0.82	0.16	NA	0.00	0.00	0.22		
WSB	Washington Savings Bank FSB	MD	08/03/88	470,101	1.08	9.77	NA	2.74	0.97	NA	0.20	0.20	1.23		
FFFD	North Central Bancshares Inc.	IA	03/21/96	492,329	1.13	12.48	2.98	2.67	1.48	0.42	0.23	0.23	0.68		
PFDC	Peoples Bancorp	IN	07/07/87	493,954	0.77	5.83	3.38	2.51	0.39	0.43	NA	NA	0.40		
FKFS	First Keystone Financial	PA	01/26/95	519,755	-0.04	-0.72	2.29	2.29	0.58	0.67	0.15	0.15	0.56		
MFBC	MFB Corp.	IN	03/25/94	525,316	0.42	5.87	2.89	2.97	1.19	0.98	0.07	0.07	1.56		
LSBX	LSB Corp.	MA	05/02/86	545,847	0.39	3.59	2.62	2.19	0.28	0.01	0.00	0.00	0.76		

BALANCE SHEET RATIOS

	IPO Date	Total Assets (\$000)	Cash & Invest./ Assets (%)	MBS/ Assets (%)	1-4 Fam. Loans/ Assets (%)	Total Net Loans/ Assets (%)	Net Loans & MBS/ Assets (%)	Borrowed Funds/ Assets (%)	Equity/ Assets (%)
POLONIA BANK	-	172,419	13.24	22.02	51.81	56.52	78.54	10.06	6.72
DEFINED PARAMETERS FOR INCLUSION IN COMPARABLE GROUP									
	Prior to 03/31/05	< 750,000	< 25.00	< 30.00	25.00 - 75.00	40.00 - 90.00	60.00 - 90.00	< 25.00	5.00 - 14.00
HCFC	OH	12/30/96	150,577	9.22	0.70	43.69	85.07	85.77	24.09
FBSI	MO	12/22/93	237,606	18.62	14.52	33.38	59.51	74.03	11.30
PFED	IL	08/12/96	239,721	16.94	10.82	37.31	65.59	76.40	24.17
FBTC	IL	04/19/01	275,124	13.75	19.56	28.91	59.49	79.04	19.95
FBEI	IN	04/07/99	288,868	15.81	14.76	28.96	61.91	76.67	24.92
ESBK	NY	03/01/85	334,654	16.65	17.76	31.12	61.42	79.18	20.29
WAYN	OH	01/09/03	403,385	23.85	13.25	37.17	58.33	71.58	8.12
MFBC	IN	03/25/94	525,316	14.40	7.56	38.37	70.29	77.84	23.06
CEBK	MA	10/24/86	547,275	14.06	6.99	31.07	75.20	82.20	20.34
FFSX	IA	04/14/99	600,728	10.57	4.25	27.63	77.06	81.31	16.21
AVERAGE		360,325	15.39	11.02	33.76	67.39	78.40	19.29	9.36
MEDIAN		311,761	15.11	12.03	32.25	63.75	78.44	20.31	9.26
HIGH		600,728	23.85	19.56	43.69	85.07	85.77	24.92	12.45
LOW		150,577	9.22	0.70	27.63	58.33	71.58	8.12	6.86

FINAL COMPARABLE GROUP

OPERATING PERFORMANCE AND ASSET QUALITY RATIOS
Most Recent Four Quarters

	IPO Date	Total Assets (\$000)	OPERATING PERFORMANCE					ASSET QUALITY ⁽¹⁾		
			Core ROAA (%)	Core ROAE (%)	Net Interest Margin (%)	Operating Expenses/Assets (%)	Noninterest Income/Assets (%)	NPA/Assets (%)	Repo. Assets/Assets (%)	Reserves/Assets (%)
POLONIA BANK	-	172,419	(0.04)	(0.50)	2.80	3.23	0.11	0.21	0.00	0.38
DEFINED PARAMETERS FOR INCLUSION IN COMPARABLE GROUP										
	Prior to 03/31/05	< 750,000	< 0.75	< 12.00	2.25 - 3.50	2.25 - 4.00	< 1.25	< 1.00	< 0.20	> 0.25
HCFC	OH	150,577	0.41	4.66	3.23	2.26	0.16	0.59	0.01	0.92
FBSI	MO	237,606	-0.06	-0.50	3.32	2.97	0.89	0.91	0.12	0.90
PFED	IL	239,721	0.13	1.09	3.11	2.63	0.31	0.98	0.11	0.60
FBTC	IL	275,124	0.45	4.22	3.39	3.70	1.17	0.61	0.06	0.97
FBEI	IN	288,888	0.39	3.72	2.70	2.49	0.60	0.16	0.00	0.30
ESBK	NY	334,654	0.73	10.50	3.35	2.60	0.59	0.19	0.00	0.62
WAYN	OH	403,385	0.46	4.82	3.03	2.62	0.41	0.24	0.01	0.35
MFBC	IN	525,316	0.42	5.87	2.89	2.97	1.19	0.98	0.07	1.56
CEBK	MA	547,275	0.47	6.51	3.11	2.58	0.29	0.02	0.00	0.69
FFSX	IA	600,728	0.45	3.66	3.25	2.90	1.05	0.94	0.03	0.92
AVERAGE										
		360,325	0.39	4.46	3.14	2.77	0.67	0.56	0.04	0.78
MEDIAN										
		311,761	0.44	4.44	3.17	2.63	0.60	0.60	0.02	0.80
HIGH										
		600,728	0.73	10.50	3.39	3.70	1.19	0.98	0.12	1.56
LOW										
		150,577	-0.06	-0.50	2.70	2.26	0.16	0.02	0.00	0.30

(1) Asset quality ratios reflect balance sheet totals at the end of the most recent quarter.

KELLER & COMPANY

Dublin, Ohio
614-766-1426

COMPARABLE GROUP CHARACTERISTICS AND BALANCE SHEET TOTALS

SUBJECT		Number of Offices	Exchange	Conversion (IPO) Date	Total Assets (\$000)	Int. Earning Assets (\$000)	Most Recent Quarter			Total Deposits (\$000)	Total Equity (\$000)
							Total Net Loans (\$000)	Goodwill and Intang. (\$000)			
POLONIA BANK	Huntingdon Valley	5	-	-	172,419	165,928	97,453	1		140,823	11,578
COMPARABLE GROUP	CEBK Central Bancorp., Inc.	10	NASDAQ	10/24/86	547,275	513,832	411,576	2,232		393,413	39,189
	ESBK Elmira Savings Bank, FSB	6	NASDAQ	03/01/85	334,654	310,537	205,559	322		241,309	22,959
	FBEI First Bancorp of Indiana, Inc.	8	NASDAQ	04/07/99	288,868	256,236	178,836	1,892		183,580	28,637
	FBSI First Bancshares, Inc.	10	NASDAQ	12/22/93	237,606	217,104	141,391	362		181,933	26,842
	FBTC First BancTrust Corporation	6	NASDAQ	04/19/01	275,124	245,369	163,661	1,009		191,762	26,103
	FFSX First Federal Bankshares, Inc.	14	NASDAQ	04/14/99	600,728	526,477	462,932	18,552		431,009	67,925
	HCFC Home City Financial Corporation	2	NASDAQ	12/30/96	150,577	138,513	128,103	239		99,472	13,598
	MFBC MFB Corp.	10	NASDAQ	03/25/94	525,316	474,725	369,223	3,886		361,439	38,303
	PFED Park Bancorp., Inc.	3	NASDAQ	08/12/96	239,721	209,549	157,223	0		148,472	29,839
	WAYN Wayne Savings Bancshares, Inc.	11	NASDAQ	01/09/03	403,385	369,608	235,312	2,181		332,570	35,515
		8.0			360,325	326,195	245,382	3,068		256,496	32,891
	Average	9.0			311,761	283,387	192,198	1,451		216,536	29,238
	Median	14.0			600,728	526,477	462,932	18,552		431,009	67,925
	High	2.0			150,577	138,513	128,103	0		99,472	13,598
	Low										

COMPARABLE GROUP

KELLER & COMPANYColumbus, Ohio
614-766-1426**BALANCE SHEET
ASSET COMPOSITION - MOST RECENT QUARTER**

As a Percent of Total Assets

SUBJECT	Total Assets (\$000)	***** As a Percent of Total Assets *****										*****		
		Cash & Invest. (%)	MBS (%)	Net Loans (%)	Loan Loss Reserves (%)	Real Estate Owned (%)	Goodwill & Intang. (%)	Other Assets (%)	High Risk R.E. Loans (%)	Non-Perf. Assets (%)	Interest Earning Assets (%)	Interest Bearing Liabilities (%)	Capitalized Loan Servicing (%)	
POLONIA BANK	172,419	13.24	22.02	56.52	0.38	0.00	0.00	8.22	2.02	0.21	96.23	91.74	0.00	
COMPARABLE GROUP														
CEBK Central Bancorp Inc.	547,275	14.06	6.99	75.20	0.69	0.00	0.41	4.04	43.41	0.02	95.88	86.24	0.00	
ESBK Elmira Savings Bank	334,654	16.65	17.76	61.42	0.62	0.00	0.10	3.88	12.70	0.19	90.80	80.79	0.14	
FBEI First Bancorp of Indiana Inc.	288,868	15.81	14.76	61.91	0.30	0.00	0.65	6.87	6.92	0.16	89.71	84.85	0.00	
FBSI First Bancshares Inc.	237,606	18.62	14.52	59.51	0.90	0.12	0.15	7.14	22.15	0.91	98.77	91.45	0.00	
FBTC First BancTrust Corp.	275,124	13.75	19.56	59.49	0.97	0.06	0.37	6.68	20.82	0.61	81.49	71.32	0.16	
FFSX First Federal Bankshares Inc.	600,728	10.57	4.25	77.06	0.92	0.03	3.09	5.01	35.63	0.94	87.92	78.18	0.00	
HCFC Home City Financial Corp.	150,577	9.22	0.70	85.07	0.92	0.01	0.16	4.85	30.75	0.59	94.87	87.07	0.00	
MFBC MFB Corp.	525,316	14.40	7.56	70.29	1.56	0.07	0.74	6.55	21.42	0.98	93.87	87.62	0.47	
PFED Park Bancorp Inc.	239,721	16.94	10.82	65.59	0.60	0.11	0.00	6.22	22.37	0.98	99.36	92.10	0.00	
WAYN Wayne Savings Bancshares	403,385	23.85	13.25	58.33	0.35	0.01	0.54	3.99	13.98	0.24	93.40	87.51	0.00	
Average	360,325	15.39	11.02	67.39	0.78	0.04	0.62	5.52	23.01	0.56	92.61	84.71	0.08	
Median	311,761	15.11	12.03	63.75	0.80	0.02	0.39	5.61	21.78	0.60	93.64	86.65	0.00	
High	600,728	23.85	19.56	85.07	1.56	0.12	3.09	7.14	43.41	0.98	99.36	92.10	0.47	
Low	150,577	9.22	0.70	58.33	0.30	0.00	0.00	3.88	6.92	0.02	81.49	71.32	0.00	
ALL THRIFTS (213)														
Average	4,369,141	13.74	9.63	71.39	0.63	0.11	0.78	4.04	24.75	0.71	91.33	81.30	0.18	
MID ATLANTIC THRIFTS (45)														
Average	4,478,364	15.34	15.35	63.84	0.55	0.02	1.34	3.62	21.12	0.24	91.16	79.33	0.06	
PENNSYLVANIA THRIFTS (14)														
Average	5,545,361	18.98	21.39	54.10	0.47	0.05	1.33	3.79	12.10	0.30	90.93	79.78	0.02	

BALANCE SHEET COMPARISON
LIABILITIES AND EQUITY - MOST RECENT QUARTER

SUBJECT	As a Percent of Assets													
	Total Liabilities (\$000)	Total Equity (\$000)	Total Deposits (%)	Total Borrowings (%)	Other Liabilities (%)	Preferred Equity (%)	FASB 115				Total Equity (%)	Tangible Equity (%)	Tier 1 Capital (%)	Reg. Risk-Based Capital (%)
							Common Equity (%)	Unrealized Gain (Loss) (%)	Retained Earnings (%)					
POLONIA BANK	160,842	11,578	81.67	10.06	1.55	0.00	6.72	(0.33)	7.04	6.72	7.04	7.04	16.37	
COMPARABLE GROUP														
CEBK Central Bancorp Inc.	508,086	39,189	71.89	20.34	0.62	0.00	7.16	0.00	7.34	7.16	6.78	6.95	13.05	
ESBK Elmira Savings Bank	311,695	22,959	72.11	20.29	0.74	0.00	6.86	(0.57)	1.41	6.86	6.77	7.33	13.15	
FBEI First Bancorp of Indiana Inc.	260,231	28,637	63.55	24.92	1.61	0.00	9.91	(0.34)	5.79	9.91	9.32	9.04	13.30	
FBSI First Bancshares Inc.	210,764	26,842	76.57	11.78	0.35	0.00	11.30	(0.13)	6.47	11.30	11.16	9.81	17.12	
FBTC First BancTrust Corp.	249,021	26,103	69.70	19.95	0.86	0.00	9.49	(0.30)	6.92	9.49	9.15	10.92	20.52	
FFSX First Federal Bankshares Inc.	532,803	67,925	71.75	16.21	0.74	0.00	11.31	(0.03)	5.72	11.31	8.48	7.42	11.84	
HCFC Home City Financial Corp.	136,979	13,598	66.06	24.09	0.82	0.00	9.03	(0.07)	5.78	9.03	8.89	8.80	13.27	
MFBC MFB Corp.	487,013	38,303	68.80	23.06	0.85	0.00	7.29	(0.08)	4.82	7.29	6.60	7.34	11.20	
PFED Park Bancorp Inc.	209,882	29,839	61.94	24.17	1.45	0.00	12.45	(0.27)	4.72	12.45	12.45	11.56	17.81	
WAYN Wayne Savings Bancshares	367,870	35,515	82.44	8.12	0.63	0.00	8.80	(0.25)	2.81	8.80	8.31	8.47	15.02	
Average	327,434	32,891	70.48	19.29	0.87	0.00	9.36	(0.20)	5.18	9.36	8.79	8.76	14.63	
Median	285,963	29,238	70.72	20.31	0.78	0.00	9.26	(0.19)	5.75	9.26	8.69	8.64	13.29	
High	532,803	67,925	82.44	24.92	1.61	0.00	12.45	0.00	7.34	12.45	12.45	11.56	20.52	
Low	136,979	13,598	61.94	8.12	0.35	0.00	6.86	(0.57)	1.41	6.86	6.60	6.95	11.20	
ALL THRIFTS (213)														
Average	3,983,508	371,987	56.52	32.81	1.84	0.01	8.51	(0.10)	4.73	10.01	9.28	9.11	13.64	
MID ATLANTIC THRIFTS (45)														
Average	3,981,316	492,456	56.38	31.23	1.26	0.00	11.00	(0.27)	4.82	10.58	9.31	8.24	13.62	
PENNSYLVANIA THRIFTS (14)														
Average	5,030,140	500,497	59.86	29.50	1.35	0.00	9.02	(0.30)	4.39	8.81	7.31	7.49	14.91	

KELLER & COMPANY

Dublin, Ohio

614-766-1426

INCOME AND EXPENSE COMPARISON**TRAILING FOUR QUARTERS**

(\$000)

SUBJECT	Interest Income	Interest Expense	Net Interest Income	Provision for Loss	Gain (Loss) on Sale	Total Non-Int. Income	Goodwill & Intang. Amtz.	Net Expense Real Est.	Total Non-Int. Expense	Non- Recurring Expense	Net Income Before Taxes	Income Taxes	Net Inc. Before Extraord. Items	Extraord. Items	Net Income	Core Income
POLONIA BANK	8,323	3,648	4,675	0	(993)	(147)	0	0	5,615	0	(1,087)	(193)	(894)	0	(894)	(62)
COMPARABLE GROUP																
CEBK Central Bancorp Inc.	30,341	14,024	16,317	100	814	1,578	0	0	13,925	258	4,031	1,388	2,643	0	2,643	2,538
ESBK Elmira Savings Bank	17,162	6,968	10,194	170	83	1,974	108	0	8,515	0	4,127	1,323	2,804	0	2,804	2,385
FBEI First Bancorp of Indiana Inc.	14,036	7,126	6,910	58	493	1,734	76	0	6,951	0	2,321	787	1,534	0	1,534	1,088
FBSI First Bancshares Inc.	12,946	5,647	7,299	2,909	0	2,115	68	37	7,170	191	(855)	(597)	(258)	0	(258)	(134)
FBTC First BancTrust Corp.	13,813	5,969	7,844	461	0	3,227	126	68	9,265	0	1,431	259	1,172	0	1,172	1,116
FFSX First Federal Bankshares Inc.	31,447	14,196	17,251	3,060	0	6,303	44	0	17,119	0	3,578	817	2,761	0	2,761	2,629
HCFC Home City Financial Corp.	9,168	4,495	4,673	663	404	244	32	(66)	3,385	0	1,214	373	841	0	841	617
MFBC MFB Corp.	28,696	14,204	14,492	2,353	213	6,238	497	0	15,832	0	2,545	317	2,228	0	2,228	2,228
PFED Park Bancorp Inc.	13,124	5,989	7,135	997	0	743	0	0	6,596	0	437	8	429	0	429	330
WAYN Wayne Savings Bancshares	19,688	8,280	11,408	211	23	1,661	108	0	10,478	421	2,075	435	1,640	0	1,640	1,838
Average	19,042	8,690	10,352	1,098	203	2,582	106	4	9,924	87	2,090	511	1,579	0	1,579	1,464
Median	15,599	7,047	9,019	562	53	1,854	72	0	8,890	0	2,198	404	1,587	0	1,587	1,477
High	31,447	14,204	17,251	3,060	814	6,303	497	68	17,119	421	4,127	1,388	2,804	0	2,804	2,629
Low	9,168	4,495	4,673	58	0	244	0	(66)	3,385	0	(855)	(597)	(258)	0	(258)	(134)
ALL THRIFTS (213)																
Average	223,273	113,095	109,194	3,516	14,090	49,642	1,259	11	87,899	501	68,004	24,597	43,135	26	43,161	43,953
MID ATLANTIC THRIFTS (45)																
Average	211,717	104,523	107,194	2,442	4,925	26,774	2,843	(7)	66,557	1,095	63,963	20,126	43,837	4	43,841	44,491
PENNSYLVANIA THRIFTS (14)																
Average	266,174	129,895	136,279	7,525	2,005	47,241	6,020	46	105,536	533	70,423	16,940	53,483	0	53,483	53,506

EXHIBIT 45

KELLER & COMPANY

Dublin, Ohio

614-766-1426

**INCOME AND EXPENSE COMPARISON
AS A PERCENTAGE OF AVERAGE ASSETS
TRAILING FOUR QUARTERS**

SUBJECT	Interest Income (%)	Interest Expense (%)	Net Interest Income (%)	Provision for Loss (%)	Gain on Sale (%)	Total Non-Int. Income (%)	Goodwill & Intang. Amiz. (%)	Net Expense (%)	Total Expense (%)	Non- Recurring Expense (%)	Net		Net Inc. Before		Core Income (%)	
											Income Before Taxes (%)	Income Taxes (%)	Extraord. Items (%)	Extraord. Items (%)		
POLONIA BANK	4.79	2.10	2.69	0.00	(0.57)	(0.08)	0.00	0.00	3.23	0.00	(0.63)	(0.12)	(0.51)	0.00	(0.51)	(0.04)
COMPARABLE GROUP																
CEBK Central Bancorp Inc.	5.62	2.60	3.03	0.02	0.08	0.29	0.00	0.00	2.58	0.05	0.75	0.26	0.49	0.00	0.49	0.47
ESBK Elmira Savings Bank	5.25	2.13	3.12	0.05	0.00	0.59	0.03	0.00	2.60	0.00	1.26	0.40	0.86	0.00	0.86	0.73
FBEI First Bancorp of Indiana Inc.	5.02	2.55	2.47	0.02	0.00	0.60	0.03	0.00	2.49	0.00	0.83	0.28	0.55	0.00	0.55	0.39
FBSI First Bancshares Inc.	5.36	2.34	3.02	1.20	0.00	0.89	0.03	0.02	2.97	0.08	(0.35)	(0.25)	(0.11)	0.00	(0.11)	(0.06)
FBTC First BancTrust Corp.	5.51	2.38	3.13	0.18	0.03	1.17	0.05	0.03	3.70	0.00	0.57	0.10	0.47	0.00	0.47	0.45
FFSX First Federal Bankshares Inc.	5.33	2.40	2.92	0.52	0.03	1.05	0.01	0.00	2.90	0.00	0.61	0.14	0.47	0.00	0.47	0.45
HCFC Home City Financial Corp.	6.08	2.98	3.10	0.44	0.00	0.16	0.02	(0.04)	2.26	0.00	0.80	0.25	0.56	0.00	0.56	0.41
MFBC MFB Corp.	5.38	2.66	2.72	0.44	0.00	1.19	0.09	0.00	2.97	0.00	0.48	0.06	0.42	0.00	0.42	0.42
PFED Park Bancorp Inc.	5.24	2.39	2.85	0.40	0.06	0.31	0.00	0.00	2.63	0.00	0.17	0.00	0.17	0.00	0.17	0.13
WAYN Wayne Savings Bancshares	4.92	2.07	2.85	0.05	0.00	0.41	0.03	0.00	2.62	0.11	0.52	0.11	0.41	0.00	0.41	0.46
Average	5.37	2.45	2.92	0.33	0.02	0.67	0.03	(0.00)	2.77	0.02	0.56	0.14	0.43	0.00	0.43	0.38
Median	5.34	2.40	2.97	0.29	0.00	0.60	0.03	0.00	2.63	0.00	0.59	0.12	0.47	0.00	0.47	0.43
High	6.08	2.98	3.13	1.20	0.08	1.19	0.09	0.03	3.70	0.11	1.26	0.40	0.86	0.00	0.86	0.73
Low	4.92	2.07	2.47	0.02	0.00	0.16	0.00	(0.04)	2.26	0.00	(0.35)	(0.25)	(0.11)	0.00	(0.11)	(0.06)

EXHIBIT 46

KELLER & COMPANY

Dublin, Ohio

614-766-1426

EXHIBIT 47
**YIELDS, COSTS AND EARNINGS RATIOS
TRAILING FOUR QUARTERS**

SUBJECT	Yield on Int. Earning Assets (%)	Cost of Int. Bearing Liabilities (%)	Net Interest Spread (%)	Net Interest Margin * (%)	ROAA (%)	Core ROAA (%)	ROAE (%)	Core ROAE (%)
POLONIA BANK	4.99	2.30	2.69	2.80	(0.51)	(0.04)	(7.23)	(0.50)
COMPARABLE GROUP								
CEBK Central Bancorp Inc.	5.91	2.90	3.01	3.11	0.49	0.47	6.78	6.51
ESBK Elmira Savings Bank	5.51	2.42	3.09	3.35	0.86	0.73	12.34	10.50
FBEI First Bancorp of Indiana Inc.	5.33	2.78	2.55	2.70	0.55	0.39	5.24	3.72
FBSI First Bancshares Inc.	5.83	2.59	3.24	3.32	-0.11	-0.06	-0.96	-0.50
FBTC First BancTrust Corp.	5.85	2.69	3.16	3.39	0.47	0.45	4.44	4.22
FFSX First Federal Bankshares Inc.	5.85	2.83	3.02	3.25	0.47	0.45	3.84	3.66
HCFC Home City Financial Corp.	6.24	3.34	2.90	3.23	0.56	0.41	6.35	4.66
MFBC MFB Corp.	5.79	2.93	2.86	2.89	0.42	0.42	5.87	5.87
PFED Park Bancorp Inc.	5.61	2.70	2.91	3.11	0.17	0.13	1.41	1.09
WAYN Wayne Savings Bancshares	5.06	2.24	2.82	3.03	0.41	0.46	4.30	4.82
Average	5.70	2.74	2.96	3.14	0.43	0.39	4.96	4.46
Median	5.81	2.74	2.96	3.17	0.47	0.44	4.84	4.44
High	6.24	3.34	3.24	3.39	0.86	0.73	12.34	10.50
Low	5.06	2.24	2.55	2.70	-0.11	-0.06	-0.96	-0.50
ALL THRIFTS (213)								
Average	5.72	2.72	3.00	3.22	1.03	1.02	12.11	11.99
MID ATLANTIC THRIFTS (45)								
Average	5.50	2.63	2.87	3.05	1.02	1.04	9.21	9.34
PENNSYLVANIA THRIFTS (14)								
Average	5.24	2.90	2.34	2.54	0.62	0.61	7.50	7.39

* Based on average interest-earning assets.

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DIVIDENDS, RESERVES AND SUPPLEMENTAL DATA

SUBJECT	DIVIDENDS				RESERVES AND SUPPLEMENTAL DATA - MOST RECENT PERIOD					
	12 Month Preferred Dividends (\$000)	12 Month Common Div./Share (\$)	Current Dividend Yield (%)	12 Month Dividend Payout Ratio (%)	Reserves/ Gross Loans (%)	Reserves/ Non-Perf. Assets (%)	Chargeoffs/ Average Loans (%)	Provisions/ Net Chargeoffs (%)	Effective Tax Rate (%)	
POLONIA BANK	0.00	0.00	0.00	0.00	0.66	182.63	0.04	0.00	NM	
COMPARABLE GROUP										
CEBK Central Bancorp Inc.	0	0.72	2.18	39.13	0.91	3,450.00	0.00	NM	34.43	
ESBK Elmira Savings Bank	0	0.81	3.00	35.06	1.00	323.71	0.03	320.75	32.06	
FBEI First Bancorp of Indiana Inc.	0	0.60	3.07	60.61	0.48	192.00	0.15	23.02	33.91	
FBSI First Bancshares Inc.	0	0.16	0.96	NM	1.49	98.90	1.34	140.80	NM	
FBTC First BancTrust Corp.	0	0.24	2.01	48.00	1.61	160.12	0.22	147.76	18.10	
FFSX First Federal Bankshares Inc.	0	0.40	1.81	49.38	1.18	66.45	0.54	124.44	22.83	
HCFC Home City Financial Corp.	0	0.44	2.89	43.14	1.07	155.93	0.09	557.14	30.72	
MFBC MFB Corp.	0	0.52	1.84	32.50	2.17	159.18	0.09	641.14	12.46	
PFED Park Bancorp Inc.	0	0.72	2.18	194.59	0.90	35.55	0.58	106.52	1.83	
WAYN Wayne Savings Bancshares	0	0.48	3.18	96.00	0.59	145.83	0.07	NM	20.96	
Average	0	0.51	2.31	66.49	1.14	478.77	0.31	257.70	23.03	
Median	0	0.50	2.18	48.00	1.04	157.56	0.12	144.28	22.83	
High	0	0.81	3.18	194.59	2.17	3,450.00	1.34	641.14	34.43	
Low	0	0.16	0.96	32.50	0.48	35.55	0.00	23.02	1.83	
ALL THRIFTS (213)	1.57	0.43	2.09	51.52	0.90	207.60	0.12	167.35	31.55	
Average										
MID ATLANTIC THRIFTS (45)	1.09	0.41	2.33	45.69	0.90	295.29	0.05	120.39	33.70	
Average										
PENNSYLVANIA THRIFTS (14)	0.00	0.45	2.33	48.10	0.91	243.02	0.11	95.65	24.99	
Average										

EXHIBIT 49

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VALUATION ANALYSIS AND CONCLUSIONS

Polonia Bank/Polonia Bancorp Stock Prices as of June 1, 2006

Valuation assumptions:

	Symbol	Value	Comparable Group Average	Median	All Thrifts Average	Median
Post conv. price to earnings	P/E	NM	23.66	19.77	20.14	16.58
Post conv. price to book value	P/B	69.81%	115.92%	108.97%	139.39%	129.69%
Post conv. price to assets	P/A	11.33%	10.71%	10.41%	13.53%	12.71%
Post conv. price to core earnings	P/E	NM	25.40	25.09	23.83	17.64
Pre conversion earnings (\$)	Y	\$ -894,000	For the twelve months ended March 31, 2006			
Pre conversion book value (\$)	B	\$ 11,578,000	At March 31, 2006			
Pre conversion assets (\$)	A	\$ 172,419,000	At March 31, 2006			
Pre conversion core earnings (\$)		\$ -62,000	For the twelve months ended March 31, 2006			
Conversion expense (\$)	X	\$ 726,000				
Proceeds not reinvested (\$)	Z	\$ 862,400	ESOP shares.			
ESOP borrowings (\$)	E	\$ 862,400				
ESOP cost of borrowings, net (%)	S	0.00%				
ESOP term of borrowings (yrs.)	T	15				
RRP amount (\$)	M	\$ 431,200				
RRP expense (\$)	N	\$ 86,240				
Tax rate (%)	TAX	34.00%				
Investment rate of return, net (%)	R	3.31%				
Investment rate of return, pretax (%)		5.01%				

Formulae to indicate value after conversion:

1. P/E method: Value = $\frac{P/E(Y-R(X+Z)-ES-(1-TAX)E/T-(1-TAX)N)}{1-(P/E)R}$ = Not Meaningful
2. P/B method: Value = $\frac{P/B(B-X-E-M)}{1-P/B}$ = \$ 22,106,550
3. P/A method: Value = $\frac{P/A(A-X)}{1-P/A}$ = \$ 22,026,828

VALUATION CORRELATION AND CONCLUSIONS:

	Price Per Share	Shares Offered to Public	Total Number of Shares	TOTAL VALUE
Value - midrange	\$10.00	990,000	2,200,000	\$ 22,000,000
Minimum - 85% of midrange	\$10.00	841,500	1,870,000	\$ 18,700,000
Maximum - 115% of midrange	\$10.00	1,138,500	2,530,000	\$ 25,300,000
Superrange - 115% of maximum	\$10.00	1,309,275	2,909,500	\$ 29,095,000

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EXHIBIT 50
COMPARABLE GROUP MARKET, PRICING AND FINANCIAL RATIOS

Stock Prices as of June 1, 2006

	Market Data			Pricing Ratios					Dividends			Financial Ratios			
	Market Value (\$M)	Price/Share (\$)	12 Mo. EPS (\$)	Book Value/Share (\$)	Price/Earnings (X)	Price/Book Value (%)	Price/Assets (%)	Price/Tang. Bk. Val. (%)	Core Earnings (%)	Div./Share (\$)	Dividend Yield (%)	Payout Ratio (%)	Equity/Assets (%)	Core ROAA (%)	Core ROAE (%)
POLONIA BANCORP															
Appraised value - midpoint	22.00	10.00	-0.14	14.34	NM	69.81	11.33	68.58	NM	0.00	0.00	0.00	16.29	0.27	1.64
Minimum	18.70	10.00	-0.22	15.22	NM	65.68	9.78	64.40	NM	0.00	0.00	0.00	14.95	0.22	1.50
Maximum	25.30	10.00	-0.09	13.70	NM	73.02	12.80	71.84	NM	0.00	0.00	0.00	17.59	0.31	1.76
Maximum, as adjusted	29.10	10.00	-0.04	13.13	NM	76.16	14.44	75.05	NM	0.00	0.00	0.00	19.03	0.35	1.86
ALL THRIFTS (216)															
Average	635.18	65.38	1.14	15.39	20.14	139.39	13.53	156.43	23.83	0.43	2.10	51.81	8.51	1.02	11.99
Median	57.51	18.00	0.98	14.04	16.58	129.69	12.71	141.38	17.64	0.38	2.15	39.53	9.08	0.70	6.95
PENNSYLVANIA THRIFTS (14)															
Average	677.62	21.52	1.09	17.69	20.79	131.92	11.60	165.99	22.86	0.45	2.33	43.93	8.81	0.61	7.39
Median	62.08	19.04	1.00	13.81	15.13	134.62	10.22	144.04	15.82	0.47	2.70	48.91	7.70	0.62	8.47
COMPARABLE GROUP (10)															
Average	38.50	22.40	0.98	19.38	23.66	115.92	10.71	124.64	25.40	0.51	2.31	66.49	9.36	0.39	4.46
Median	35.43	20.81	0.90	18.75	19.77	108.97	10.41	116.46	25.09	0.50	2.18	48.00	9.26	0.44	4.44
COMPARABLE GROUP															
CEBK Central Bancorp Inc.	52.48	33.00	1.84	24.64	17.93	133.93	9.59	142.02	18.68	0.72	2.18	39.13	7.16	0.47	6.51
ESBK Elmira Savings Bank	33.71	28.00	2.31	19.07	12.12	146.83	10.07	148.92	14.25	0.81	3.00	35.06	6.86	0.73	10.50
FBEI First Bancorp of Indiana Inc.	30.44	19.57	0.99	18.43	19.77	106.18	10.53	113.69	27.76	0.60	3.07	60.61	9.91	0.39	3.72
FBSI First Bancshares Inc.	26.01	16.75	-0.17	17.29	NM	96.88	10.94	98.20	NM	0.16	0.96	NM	11.30	-0.06	-0.50
FBTC First BancTrust Corp.	28.08	11.95	0.50	11.03	23.90	108.34	10.28	112.70	25.09	0.24	2.01	48.00	9.49	0.45	4.22
FFSX First Federal Bankshares Inc.	74.44	22.05	0.81	20.12	27.22	109.59	12.39	150.77	28.58	0.40	1.81	49.38	11.31	0.45	3.66
HCFC Home City Financial Corp.	12.74	15.25	1.02	16.27	14.95	93.72	8.46	95.40	20.45	0.44	2.89	43.14	9.03	0.41	4.66
MFBC MFB Corp.	39.34	29.27	1.60	28.50	18.29	102.70	7.49	114.30	18.29	0.52	1.84	32.50	7.29	0.42	5.87
PFED Park Bancorp Inc.	37.15	33.01	0.37	27.83	48.56	118.61	14.76	118.61	48.56	0.72	2.18	194.59	12.45	0.13	1.09
WAYNWayne Savings Bancshares	50.59	15.11	0.50	10.61	30.22	142.44	12.54	151.76	26.96	0.48	3.18	96.00	8.80	0.46	4.82

EXHIBIT 51

KELLER & COMPANY

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PROJECTED EFFECT OF CONVERSION PROCEEDS Polonia Bank/Polonia Bancorp At the MINIMUM of the Range

1. Gross Conversion Proceeds

Minimum market value	\$	8,415,000
Less: Estimated conversion expenses		709,000
Net conversion proceeds	\$	7,706,000

2. Generation of Additional Income

Net conversion proceeds	\$	7,706,000
Less: Proceeds not invested ⁽¹⁾		733,040
Total conversion proceeds invested	\$	6,972,960
Investment rate		3.31%
Earnings increase - return on proceeds invested	\$	230,568
Less: Estimated cost of ESOP borrowings		0
Less: Amortization of ESOP borrowings, net of taxes		32,254
Less: RRP expense, net of taxes		48,381
Net earnings increase	\$	149,933

3. Comparative Earnings

	Regular	Core
Before conversion - 12 months ended 03/31/06	\$ (894,000)	(62,000)
Net earnings increase	149,933	149,933
After conversion	\$ (744,067)	87,933

4. Comparative Net Worth ⁽²⁾

Before conversion - 03/31/06	\$	11,578,000
Conversion proceeds		6,606,440
After conversion	\$	18,184,440

5. Comparative Net Assets

Before conversion - 03/31/06	\$	172,419,000
Conversion proceeds		7,706,000
After conversion	\$	180,125,000

(1) Represents ESOP borrowings.

(2) ESOP borrowings and RRP are omitted from net worth.

EXHIBIT 52

KELLER & COMPANY

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PROJECTED EFFECT OF CONVERSION PROCEEDS

Polonia Bank/Polonia Bancorp

At the MIDPOINT of the Range

1. Gross Conversion Proceeds

Midpoint market value	\$	9,900,000
Less: Estimated conversion expenses		726,000
Net conversion proceeds	\$	9,174,000

2. Generation of Additional Income

Net conversion proceeds	\$	9,174,000
Less: Proceeds not invested ⁽¹⁾		862,400
Total conversion proceeds invested	\$	8,311,600
Investment rate of return		3.31%
Earnings increase - return on proceeds invested	\$	274,831
Less: Estimated cost of ESOP borrowings		0
Less: Amortization of ESOP borrowings, net of taxes		37,946
Less: RRP expense, net of taxes		56,918
Net earnings increase	\$	179,967

3. Comparative Earnings

	Regular	Core
Before conversion - 12 months ended 03/31/06	\$ (894,000)	(62,000)
Net earnings increase	179,967	179,967
After conversion	\$ (714,033)	117,967

4. Comparative Net Worth ⁽²⁾

Before conversion - 03/31/06	\$	11,578,000
Conversion proceeds		7,880,400
After conversion	\$	19,458,400

5. Comparative Net Assets

Before conversion - 03/31/06	\$	172,419,000
Conversion proceeds		9,174,000
After conversion	\$	181,593,000

(1) Represents ESOP borrowings.

(2) ESOP borrowings and RRP are omitted from net worth.

EXHIBIT 53

KELLER & COMPANY

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PROJECTED EFFECT OF CONVERSION PROCEEDS

Polonia Bank/Polonia Bancorp

At the MAXIMUM of the Range

1. Gross Conversion Proceeds

Maximum market value	\$	11,385,000
Less: Estimated conversion expenses		742,000
Net conversion proceeds	\$	10,643,000

2. Generation of Additional Income

Net conversion proceeds	\$	10,643,000
Less: Proceeds not invested ⁽¹⁾		991,760
Total conversion proceeds invested	\$	9,651,240
Investment rate		3.31%
Earnings increase - return on proceeds invested	\$	319,128
Less: Estimated cost of ESOP borrowings		0
Less: Amortization of ESOP borrowings, net of taxes		43,637
Less: RRP expense, net of taxes		65,456
Net earnings increase	\$	210,034

3. Comparative Earnings

	Regular	Core
Before conversion - 12 months ended 03/31/06	\$ (894,000)	(62,000)
Net earnings increase	210,034	210,034
After conversion	\$ (683,966)	148,034

4. Comparative Net Worth ⁽²⁾

Before conversion - 03/31/06	\$	11,578,000
Conversion proceeds		9,155,360
After conversion	\$	20,733,360

5. Comparative Net Assets

Before conversion - 03/31/06	\$	172,419,000
Conversion proceeds		10,643,000
After conversion	\$	183,062,000

(1) Represents ESOP borrowings.

(2) ESOP borrowings and RRP are omitted from net worth.

EXHIBIT 54**KELLER & COMPANY**

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PROJECTED EFFECT OF CONVERSION PROCEEDS
Polonia Bank/Polonia Bancorp
At the MAXIMUM, AS ADJUSTED

1. Gross Conversion Proceeds

Superrange market value	\$ 13,092,750
Less: Estimated conversion expenses	762,000
Net conversion proceeds	\$ 12,330,750

2. Generation of Additional Income

Net conversion proceeds	\$ 12,330,750
Less: Proceeds not invested ⁽¹⁾	1,140,524
Total conversion proceeds invested	\$ 11,190,226
Investment rate	3.31%
Earnings increase - return on proceeds invested	\$ 370,016
Less: Estimated cost of ESOP borrowings	0
Less: Amortization of ESOP borrowings, net of taxes	50,183
Less: RRP expense, net of taxes	75,275
Net earnings increase	\$ 244,558

3. Comparative Earnings

	<u>Regular</u>	<u>Core</u>
Before conversion - 12 months ended 03/31/06	\$ (894,000)	(62,000)
Net earnings increase	244,558	244,558
After conversion	\$ (649,442)	182,558

4. Comparative Net Worth ⁽²⁾

Before conversion - 03/31/06	\$ 11,578,000
Conversion proceeds	10,619,964
After conversion	\$ 22,197,964

5. Comparative Net Assets

Before conversion - 03/31/06	\$ 172,419,000
Conversion proceeds	12,330,750
After conversion	\$ 184,749,750

(1) Represents ESOP borrowings.

(2) ESOP borrowings and RRP are omitted from net worth.

EXHIBIT 55

KELLER & COMPANY

Dublin, Ohio
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SUMMARY OF VALUATION PREMIUM OR DISCOUNT

		<u>Premium or (discount) from comparable group.</u>	
	<u>Polonia Bank</u>	<u>Average</u>	<u>Median</u>
Midpoint:			
Price/earnings	NM	NM	NM
Price/book value	69.81 % *	(39.78)%	(35.93)%
Price/assets	11.33 %	5.82%	8.87%
Price/tangible book value	68.58 %	(44.97)%	(41.11)%
Price/core earnings	NM	NM	NM
Minimum of range:			
Price/earnings	NM	NM	NM
Price/book value	65.68 % *	(43.34)%	(39.72)%
Price/assets	9.78 %	(8.60)%	(5.96)%
Price/tangible book value	64.40 %	(48.33)%	(44.70)%
Price/core earnings	NM	NM	NM
Maximum of range:			
Price/earnings	NM	NM	NM
Price/book value	73.02 % *	(37.01)%	(32.99)%
Price/assets	12.80 %	19.53%	22.98%
Price/tangible book value	71.84 %	(42.36)%	(38.31)%
Price/core earnings	NM	NM	NM
Super maximum of range:			
Price/earnings	NM	NM	NM
Price/book value	76.16 % *	(34.30)%	(30.10)%
Price/assets	14.44 %	34.87%	38.76%
Price/tangible book value	75.05 %	(39.79)%	(35.56)%
Price/core earnings	NM	NM	NM

* Represents pricing ratio associated with primary valuation method.

ALPHABETICAL
EXHIBITS

EXHIBIT A

KELLER & COMPANY, INC.

Financial Institution Consultants

555 Metro Place North
Dublin, Ohio 43017

614-766-1426
(fax) 614-766-1459

PROFILE OF THE FIRM

KELLER & COMPANY, INC. is a national consulting firm to financial institutions, serving clients throughout the United States from its office in Dublin, Ohio. Since its inception in 1985, Keller & Company has provided a wide range of consulting services to over 200 financial institutions including banks, thrifts, mortgage companies, insurance companies and holding companies located in twenty-four states and Washington D.C., extending from Oregon to Massachusetts. Keller & Company, Inc. provides a full range of consulting services, including the preparation of business/ strategic plans, market studies, stock valuations, ESOP valuations, de novo charter applications, fairness opinions, incentive compensation plans, etc. Keller also serves as advisor in connection with branch purchase/sale transactions and merger/acquisition transactions. Keller & Company, Inc. is also active in the completion of loan reviews, director and management reviews, compliance policies and responses to regulatory comments.

Keller & Company, Inc. is one of the leading conversion appraisal firms in the U.S. and is on-line for daily bank and thrift pricing data and ratios for every publicly-traded financial institution in the U.S. Keller & Company, Inc. is on-line for financial data and ratios for every bank and thrift in the U.S. Our data base is SNL Financial. Keller & Company is an affiliate member of numerous trade organizations including American Bankers Association and America's Community Bankers.

Each of the firm's senior consultants has over thirty years front line experience and accomplishment in various areas of the financial institution and real estate industries. Each consultant provides to clients distinct and diverse areas of expertise. Specific services and projects have included financial institution charter and deposit insurance applications, market studies, institutional mergers and acquisitions, branch sales and acquisitions, operations and performance analyses, business plans, strategic planning, financial projections and modeling, stock valuations, fairness opinions, conversion appraisals, capital plans, policy development and revision, lending, underwriting and investment criteria, data processing and management information systems, and incentive compensation programs.

It is the goal of Keller & Company to provide specific and ongoing services that are pertinent and responsive to the needs of the individual client institution within the changing industry environment, and to offer those services at reasonable fees on a timely basis. In recent years, Keller & Company has become one of the leading bank consulting firms in the nation.

CONSULTANTS IN THE FIRM

MICHAEL R. KELLER has over thirty years experience as a consultant to the financial institution industry. Immediately following his graduation from college, Mr. Keller took a position as an examiner of financial institutions in northeastern Ohio with a focus on Cleveland area institutions. After working two years as an examiner, Mr. Keller entered Ohio State University full time to obtain his M.B.A. in Finance.

Mr. Keller then worked as an associate for a management consulting firm specializing in services to financial institutions immediately after receiving his M.B.A. During his eight years with the firm, he specialized in mergers and acquisitions, branch acquisitions and sales, branch feasibility studies, stock valuations, charter applications, and site selection analyses. By the time of his departure, he had attained the position of vice president, with experience in almost all facets of banking operations.

Prior to forming Keller & Company, Mr. Keller also worked as a senior consultant in a larger consulting firm. In that position, he broadened his activities and experience, becoming more involved with institutional operations, business and strategic planning, regulatory policies and procedures, performance analysis, conversion appraisals, and fairness opinions. Mr. Keller established Keller & Company in November 1985 to better serve the needs of the financial institution industry.

Mr. Keller graduated from the College of Wooster with a B.A. in Economics in 1972, and later received an M.B.A. in Finance in 1976 from the Ohio State University where he took numerous courses in corporate stock valuations.

JOHN A. SHAFFER has over thirty years experience in banking, finance, real estate lending, and development.

Following his university studies, Mr. Shaffer served as a lending officer for a large real estate investment trust, specializing in construction and development loans. Having gained experience in loan underwriting, management and workout, he later joined Chemical Bank of New York and was appointed Vice President for Loan Administration of Chemical Mortgage Company in Columbus, Ohio. At Chemical, he managed all commercial and residential loan servicing, administering a portfolio in excess of \$2 billion. His responsibilities also included the analysis, management and workout of problem commercial real estate loans and equity holdings, and the structuring, negotiation, acquisition and sale of loan servicing, mortgage and equity securities and real estate projects. Mr. Shaffer later formed and managed an independent real estate and financial consulting firm, serving corporate and institutional clients, and also investing in and developing real estate.

Mr. Shaffer's primary activities and responsibilities have included financial analysis, projection and modeling, asset and liability management, real estate finance and development, loan management and workout, organizational and financial administration, budgeting, cash flow management and project design.

Mr. Shaffer graduated from Syracuse University with a B.S. in Business Administration, later receiving an M.B.A. in Finance and a Ph.D. in Economics from New York University.

EXHIBIT B

RB 20
CERTIFICATION

I hereby certify that I have not been the subject of any criminal, civil or administrative judgments, consents, undertakings or orders, or any past administrative proceedings (excluding routine or customary audits, inspections and investigation) issued by any federal or state court, any department, agency, or commission of the U.S. Government, any state or municipality, any self-regulatory trade or professional organization, or any foreign government or governmental entity, which involve:

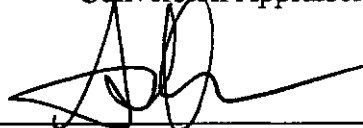
- (i) commission of a felony, fraud, moral turpitude, dishonesty or breach of trust;
- (ii) violation of securities or commodities laws or regulations;
- (iii) violation of depository institution laws or regulations;
- (iv) violation of housing authority laws or regulations;
- (v) violation of the rules, regulations, codes or conduct or ethics of a self-regulatory trade or professional organization;
- (vi) adjudication of bankruptcy or insolvency or appointment of a receiver, conservator, trustee, referee, or guardian.

I hereby certify that the statements I have made herein are true, complete and correct to the best of my knowledge and belief.

7/7/06

Date

Conversion Appraiser



John A. Shaffer

AFFIDAVIT OF INDEPENDENCE

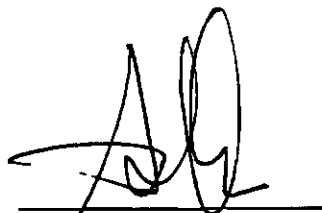
STATE OF OHIO,

COUNTY OF FRANKLIN, ss:

I, John A. Shaffer, being first duly sworn hereby depose and say that:

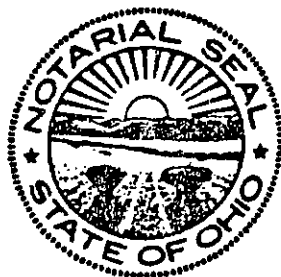
The fee which I received directly from the applicant, Polonia Bancorp, in the amount of \$35,000 for the performance of my appraisal was not related to the value determined in the appraisal and that the undersigned appraiser is independent and has fully disclosed any relationships which may have a material bearing upon the question of my independence; and that any indemnity agreement with the applicant has been fully disclosed.

Further, affiant sayeth naught.

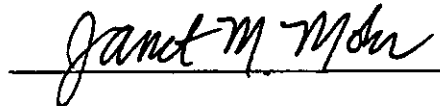


JOHN A. SHAFFER

Sworn to before me and subscribed in my presence this 7th day of July 2006.



JANET M. MOHR
Notary Public, State of Ohio
My Commission Expires
11/4/2007



NOTARY PUBLIC